

For professional clients only

Over the course of the past year, many healthcare companies have stepped up, producing ventilators, e-health solutions, Covid-19 treatments and eventually miracle vaccines. But our food supply chains, education providers and payments systems have proved equally resilient, as they accelerated their switch to online and digital solutions.

2020 marked the year when commitments to fight the climate crisis significantly accelerated. It is now evident as we progress through 2021 that impact companies can be a powerful part of the solutions needed — and our investment approach is a reflection of this.

The Impact Report covers nine themes to some of the world's great social and environmental challenges. Here we will touch on two key themes explored in the full Global Impact Annual Report.

Green energy - accelerating the energy transformation

As expressed in our chairman and chief executive officer Larry Fink's 2021 annual letter to CEOs¹, BlackRock is committed to supporting efforts to reach a net zero economy by 2050. Our CEO emphasised that “a successful transition — one that is just, equitable and protects people's livelihoods — will require both technological innovation and planning over decades.”² Energy decarbonisation and a reduction in greenhouse gases (GHG) are both vital to keep global warming below 2°C. Raising the share of renewable energy sources alongside the continued improvement in energy efficiency, could reduce carbon dioxide emissions by 90 per cent.³

Global Impact Annual Report highlights

BlackRock is excited to release the inaugural Global Impact Annual Report. Reflecting an unprecedented period in history, the report captures not only the reality of the immense challenges we face amid the ongoing global pandemic, but also the resilient responses that so many impact enterprises offer as solutions

We believe the collective advancement of diverse business models and renewable energy sources will be required to reach a net-zero carbon world. Among such solutions, we look for innovative businesses that drive the reduction in costs of renewable technology, leading to wider adoption and demand for green energy.

We are excited about the innovation and growth in this industry through novel technology, lower costs and new business models that will help the world reach a more sustainable future while providing universal access to energy.

Public health - providing quality and affordable access to healthcare

While ongoing medical discoveries and breakthrough treatments are critical, improving global health must include basic access to affordable care. Less than half of the global population is covered by essential health services that help mitigate health problems through preventive measures.⁴ The global pandemic has strained the world's already-stretched medical systems

face a scarcity of physicians in all regions of the world. In the Americas, there is one physician for every 417 individuals. Europe has a ratio of 1 to 293; Southeast Asia has a ratio of 1 to 1,239; and Africa has a ratio of 1 to 3,324.⁵ Clearly, in order to improve patient outcomes, our healthcare system must ensure efficient use of all medical practitioners' time and resources.

We seek to invest in companies that lower the cost curve in the healthcare system, such as a technology company that lowers administrative costs and increases physicians' productivity, saving precious clinical hours.

We are also excited by next-generation treatments for major diseases like cancer and Alzheimer's and we are invested in innovative diagnostic tools that we believe increase the quality of patient health outcomes.



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¹ Larry Fink, Larry Fink's 2021 Letter to CEOs. ² Ibid. ³ IRENA, Perspective for the Energy Transition: Investment Needs for a Low-Carbon Energy System, 2017, 10. Risk Warnings ⁴ The Sustainable Development Goals Report, 2020, 10. ⁵ <https://www.who.int/data/gho/whs-2020-visual-summary>. Accessed April 2021. **Capital at risk.** The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. Changes in the rates of exchange between currencies may cause the value of investments to diminish or increase. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time. **Important Information** This material is for distribution to Professional Clients (as defined by the Financial Conduct Authority or MiFID Rules) only and should not be relied upon by any other persons. Issued by BlackRock Investment Management (UK) Limited, authorised and regulated by the Financial Conduct Authority. Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Tel: + 44 (0)20 7743 3000. Registered in England and Wales No. 02020394. For your protection telephone calls are usually recorded. Please refer to the Financial Conduct Authority website for a list of authorised activities conducted by BlackRock. Any research in this document has been procured and may have been acted on by BlackRock for its own purpose. The results of such research are being made available only incidentally. The views expressed do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the BlackRock Group or any part thereof and no assurances are made as to their accuracy. This document is for information purposes only and does not constitute an offer or invitation to anyone to invest in any BlackRock funds and has not been prepared in connection with any such offer. © 2021 BlackRock, Inc. All Rights reserved. BLACKROCK, BLACKROCK SOLUTIONS, iSHARES, BUILD ON BLACKROCK, SO WHAT DO I DO WITH MY MONEY are registered and unregistered trademarks of BlackRock, Inc. or its subsidiaries in the United States and elsewhere. All other trademarks are those of their respective owners. MKTGH0621E/S-1691850