

## BlackRock Global Funds – Sustainable Global Dynamic Equity Fund

April 2024

BlackRock Asset Management North Asia Limited 貝萊德資產管理北亞有限公司

*This statement provides you with key information about this product  
This statement is a part of the offering document  
You should not invest in this product based on this statement alone*

### Quick facts

<b>Management Company:</b>	BlackRock (Luxembourg) S.A.		
<b>Investment Adviser(s) and/or Sub-Adviser(s):</b>	Internal delegation to one or more Investment Adviser(s) and/or Sub-Adviser(s) as described in “The Investment Advisers and Sub-Advisers” section of the Information For Residents of Hong Kong*		
	* <i>Details of the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for the Fund will be listed in the interim report and annual report and will be available from the Hong Kong Representative upon request.</i>		
<b>Depository:</b>	The Bank of New York Mellon SA/NV, Luxembourg Branch		
<b>Ongoing charges over a year:</b>	Class A2	EUR	1.84%
	Class A2	EUR Hedged	1.84%
	Class A2	RMB Hedged	1.84%
	Class A2	USD	1.84%
	Class A4	EUR	1.84%
	Class C2	EUR	3.09%
	Class C2	EUR Hedged	3.09%
	Class C2	USD	3.09%
	Class D2	EUR	1.09%
	Class D2	EUR Hedged	1.09%
	Class D2	USD	1.09%
	Class D4	EUR	1.09%
	The ongoing charges figure for a class is based on the costs and expenses of that class with reference to the annual report of the Fund for the year ended 31 August 2022.		
	The figure may vary from year to year.		
<b>Dealing frequency:</b>	Daily	<b>Financial year end:</b>	31 August
<b>Base currency:</b>	USD		

<p><b>Dividend policy:</b> (Class A, C and D as at the above date)</p>	<p>Non-Distributing Shares: No dividends will be declared or paid                  ▶ A2, C2, D2</p> <p>Distributing Shares: Dividends, if declared will be paid in cash or reinvested                  ▶ Yearly: A4, D4</p> <p>All declared dividends result in an immediate decrease in the Fund’s net asset values per share on ex-date, whether paid in cash or reinvested.</p>
<p><b>Minimum investment:</b></p>	<p>US\$5,000 initial, US\$1,000 additional for Class A and C Shares                  US\$100,000 initial, US\$1,000 additional for Class D Shares</p>

## What is this product?

Sustainable Global Dynamic Equity Fund (the “Fund”) is a sub-fund of BlackRock Global Funds (“BGF”), an open-ended investment company incorporated in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

## Objectives and Investment Strategy

To maximise total return in a manner consistent with the principles of environmental, social and governance (“**ESG**”) focused investing by investing at least 70% of the Fund’s total assets in stocks of companies worldwide.

The Fund seeks to deliver a superior ESG profile versus the investment universe (as represented by the MSCI All Countries World Index, the “**Index**”) through a higher exposure to ESG outperformers and a lower exposure to ESG laggards based on externalities of the securities (as further describe below in the ESG policy). The Fund will seek to have a lower carbon emissions intensity score than the Index.

The Fund’s total assets will be invested in accordance with the ESG policy described below.

The Fund will seek to optimize asset allocation within the Investment Adviser’s proprietary sustainability framework. Under this framework:

- All securities are evaluated and classified under a bottom-up approach according to the extent to which they are associated with positive or negative externalities, that is the intended or unintended benefits or costs to the environmental and social benefits or costs as defined by the Investment Adviser. The evaluation may include both qualitative and quantitative thresholds and vary for companies in different sectors as determined by the Investment Adviser from time to time, and are based on external ESG data points, proprietary model, local intelligence and on engagement undertaken during issuer dialogue.
- The Fund will seek to have higher exposure compared to the Index to investments that are deemed to have associated positive externalities (the “**PEXT Investments**”, e.g. lower carbon emitting issuers and issuers with positive ESG credentials). In particular, the Fund will invest at least 20% of its net asset value in sustainable investments as defined by the Investment Adviser having regard to applicable laws and regulations and which are assessed as doing no significant harm.
- The Fund will also seek to reduce the investment universe of the Fund by at least 20% by excluding exposure to investments that are deemed to have associated negative externalities (the “**NEXT Investments**”, e.g. higher carbon emitters, issuers with certain controversial business practices (e.g. the ownership or operation of gambling related activities or facilities, and production of adult entertainment materials and issuers with negative ESG credentials) and lowest ESG-rated issuers (as defined by third party ESG data providers). For the avoidance of doubt, the investment universe of the Fund may comprise of minimal securities falling outside of the Index.

- This includes the Fund applying the BlackRock EMEA Baseline Screens, which means the Investment Adviser will seek to exclude direct investment (as applicable) in corporate issuers which, in the opinion of the Investment Adviser, have exposure to, or ties with, certain activities (which may be based on specific revenue thresholds, or any connection to a restricted activity regardless of the amount of revenue received) including but not limited to:
  - (i) the production of controversial weapons;
  - (ii) the distribution or production of firearms or small arms ammunition intended for retail civilians;
  - (iii) the extraction of certain types of fossil fuel and/or the generation of power from them;
  - (iv) the production of tobacco products or certain activities in relation to tobacco-related products; and
  - (v) companies involved in severe controversies or who are deemed to have breached accepted global norms, relating to their business practices and conduct, such as the United Nations Global Compact Principles which cover human rights, labour standards, the environment and anti-corruption.
- For issuers or securities where the Investment Adviser cannot determine either a clear positive or clear negative externality, through for example a lack of disclosure by the issuer, the Investment Adviser will determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials, reporting frameworks and disclosures.
- In selecting investments and optimizing asset allocation, the remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Fund may gain limited indirect exposure to securities for which the exclusionary screens described above may not be applicable, or to issuers with exposure that do not meet the criteria of the exclusionary screens through, including but not limited to, derivatives, and shares or units of collective investment schemes. Where applicable, these investments would be subject to assessment on the associated ESG risks and opportunities.

The Fund will generally invest in stocks that show characteristics of being undervalued. The Fund may also invest in the equity securities of small and emerging growth companies

The Fund may also invest in emerging markets (such as Brazil, South Africa and South Korea).

Subject to applicable regulatory restrictions and internal guidelines (including the ESG policy above), the remaining 30% of the Fund's total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities consistent with the Fund's objective and cash.

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be less than 30% of its net asset value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s). The Fund's exposure to contingent convertible bonds is limited to

20% of its total assets.

The Fund may use derivatives for hedging, efficient portfolio management and investment purposes. The Fund may employ currency management and hedging techniques which may include hedging the currency exposure on the Fund's portfolio and/or using more active currency management techniques such as currency overlays. Any active management techniques implemented by the Fund through the currency derivatives such as forward exchange contracts, currency futures and options may not be correlated with the primary underlying securities held by the Fund.

## Use of Derivatives/Investment in Derivatives

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

## What are the key risks?

**Investment involves risks. Please refer to the offering document for details including the risk factors.**

### 1. Investment Risks

The Fund is an investment fund. The Fund's investment portfolio may fall in value due to any of the risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

### 2. ESG Investment Policy Risks

The use of ESG criteria may affect the Fund's investment performance and, as such, the Fund may perform differently compared to similar funds that do not use such criteria. ESG-based exclusionary criteria used in the Fund's investment policy may result in the Fund foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to their ESG characteristics when it might be disadvantageous to do so.

There is a lack of standardised taxonomy on ESG criteria. The evaluation methodology adopted by different investment managers may vary. In evaluating a security or issuer based on ESG criteria, the Investment Adviser is dependent upon information and data from internal research and/or third party ESG providers, which may be incomplete, inaccurate, inconsistent or unavailable. As a result, there is a risk that the Investment Adviser may incorrectly assess a security or issuer. Investment selection of the Fund involves subjective judgement of the Investment Adviser. Hence, there is also a risk that the Investment Adviser may not apply the relevant ESG criteria correctly or that the Fund may gain limited exposure to issuers which may not be consistent with the relevant ESG criteria used by the Fund.

### 3. Currency Risks

The Fund may invest in assets denominated in a currency other than the base currency of the Fund. Also, a class of shares may be designated in a currency other than the base currency of the Fund. Changes in exchange rates between such currency and the base currency and changes in exchange rate controls may adversely affect the value of the Fund's assets.

The Investment Adviser may utilise techniques and instruments (e.g. currency overlays) in relation to currencies other than the base currency with the aim of generating positive returns. Any active currency management techniques implemented by the Fund may not be correlated with the underlying securities held by the Fund. As a result, the Fund may suffer significant losses even if there is no loss to the value of the underlying securities held by the Fund.

### 3. Equity Risk

The values of equities fluctuate daily and a Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

**4. Derivatives Risks**

Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Fund. In an adverse situation, if the use of derivatives for hedging and efficient portfolio management becomes ineffective, the Fund may suffer significant losses.

**5. Emerging Market Risks**

Investment in emerging markets may be subject to a higher than average volatility than more developed markets due to greater political, tax, sustainability related, economic, social, and foreign exchange risks.

The size and trading volume of securities markets in emerging markets may be substantially smaller than developed markets. This may subject the Fund to higher liquidity and volatility risks.

Custody and registration of assets in emerging markets may be less reliable than in developed markets, which may subject the Fund to higher settlement risk.

The Fund may be subject to higher regulatory risks due to low level of regulation, enforcement of regulations and monitoring of investors' activities in emerging markets.

**6. Foreign Investments Restrictions Risks**

Some countries prohibit or restrict investment, or the repatriation of income, capital or the proceeds from sale of securities. The Fund may incur higher costs investing in these countries. Such restrictions may delay the investment or repatriation of capital of the Fund.

**7. Small/Mid Cap Companies Risks**

Many small/mid company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small/mid companies may also be more sensitive to market changes than the securities of large companies.

**8. Currency Conversion Risk for Renminbi (“RMB”) Denominated Classes**

The Fund offers RMB denominated share classes. RMB is currently not freely convertible and is subject to exchange controls and restrictions.

Under exceptional circumstances, payment of realisation proceeds and/or dividend payment (if any) in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

RMB is traded in both the onshore and offshore markets. While both onshore RMB (“**CNY**”) and offshore RMB (“**CNH**”) represent the same currency, they are traded in different and separate markets which operate independently. The Management Company will apply the CNH rate for currency conversion of RMB denominated share classes. Any divergence between CNH and CNY may adversely impact investors.

**9. Liquidity Risks**

The size and trading volume of securities in the markets relevant to the Fund may be substantially smaller than developed markets. This may lead to investments in such securities becoming less liquid, making it difficult to dispose of them which may reduce the Fund's returns/lead to losses for investors.

**10. Contingent Convertible Bonds Risks**

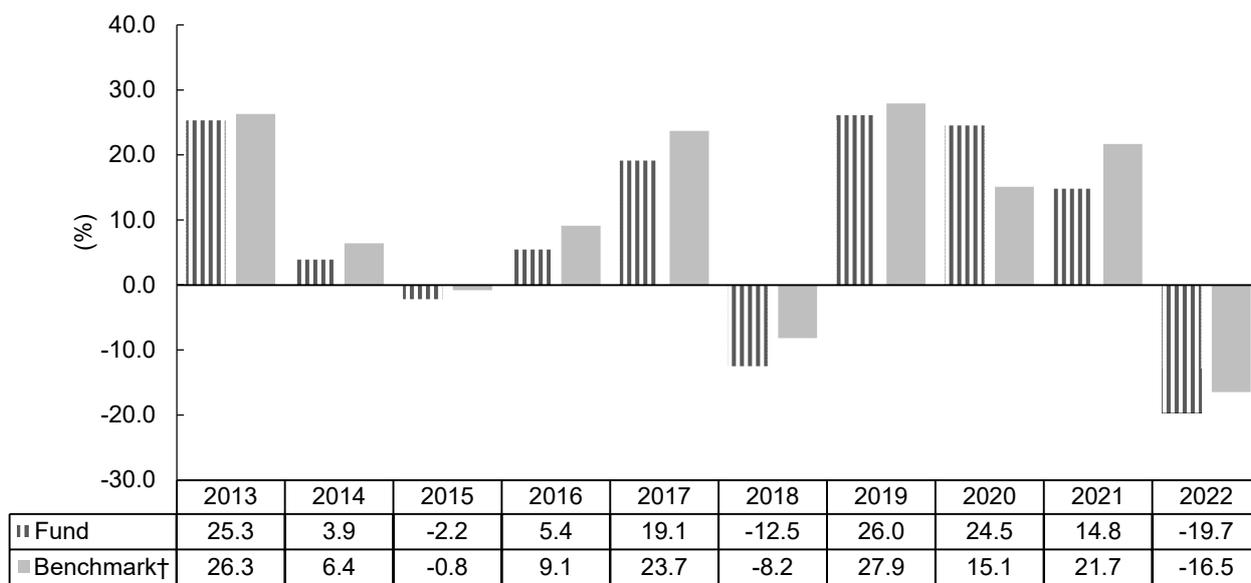
A contingent convertible bond may be converted into the issuer's equity or be partly or wholly written off (a “write-down”) if a pre-specified trigger event occurs. Trigger levels differ and the exposure to conversion risk depends on the distance of the capital ratio to the trigger level. In case of conversion into equity, the Fund might be forced to sell these new equity shares. Such a forced sale might have an effect on market liquidity as there may not be sufficient demand for these shares. In the event of a write-down, which may be either temporary or permanent, the Fund may suffer a full, partial or

staggered loss of the value of its investment. It might be difficult for the Fund to anticipate the trigger events or how the securities will behave upon conversion.

Investment in contingent convertible bonds may suffer a loss of capital. Further, contingent convertible bonds are usually subordinated to comparable non-convertible securities, and thus are subject to higher risks than other debt securities. Coupon payments on certain contingent convertible bonds may be entirely discretionary and may be cancelled by the issuer, in which event the Fund may experience losses. Investment in contingent convertible bonds may also lead to increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks.

## How has the fund performed?

Historic performance to 31 December 2022



▨▨▨ During this period the performance of the Fund was achieved under circumstances that no longer apply. The Fund changed its investment policy in 2024.

**Notes:**

Past performance information is not indicative of future performance. You may not get back the full amount invested. The computation of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested expressed as a % change. These figures show by how much the share class increased or decreased in value during the calendar year shown. Performance data has been calculated in USD, including ongoing charges and taxes and excluding subscription and redemption fees, if applicable. The past performance information reflects the performance of the A2 base currency share class which the Investment Adviser views as the most appropriate representative share class. Please refer to the website [www.blackrock.com/hk](http://www.blackrock.com/hk) for performance information regarding other share classes. This website has not been reviewed by the SFC.

† The benchmark of the Fund is MSCI All Countries World Index. The benchmark was changed on [23 February 2024] as the current benchmark is considered to be more representative of the scope of the Fund's investable universe.

Fund launch date: 2006  
Share class launch date: 2006

## Is there any guarantee?

This Fund does not have any guarantees. You may not get back the full amount of money you invest.

## What are the fees and charges?

### Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund:

Fee	What you pay
<b>Subscription Fee (Initial Charge)</b>	Class A and Class D Shares: up to 5% of the price of shares Class C Shares: Nil
<b>Switching Fee (Conversion Charge)</b>	Nil <sup>^</sup> , except a delayed Initial Charge of up to 5% of the price of Class A or Class D Shares may be payable upon switching newly acquired Shares in a Reserve Fund into this Fund
<b>Redemption Fee</b>	Nil <sup>^</sup>
<b>Contingent Deferred Sales Charge</b>	Class A and Class D Shares: Nil Class C Shares: 1% of the lower of the original investment amount or redemption proceeds if the Shares are held for less than one year

<sup>^</sup> A 2% charge on redemptions/conversions may be levied where excessive trading by a shareholder is suspected.

### Ongoing fees payable by the Fund

The following expenses paid by the Fund affect you because they reduce the return on your investments:

Fee	Annual rate
<b>Management Fee</b>	1.50% of the net asset value of the relevant Class A and Class C Shares respectively * 0.75% of the net asset value of the relevant Class D Shares*
<b>Depository Fees<sup>#</sup></b>	Safekeeping fees: 0.0024% to 0.45% of the value of the securities Transactional fees: US\$5.5 to US\$124 per transaction
<b>Performance Fee</b>	Nil
<b>Annual Service Charge</b>	Up to 0.25% of the net asset value of the relevant share class*
<b>Distribution Fee</b>	Class A and Class D Shares: Nil      Class C Shares: 1.25% of the net asset value of the relevant share class

\* May be increased to a combined 2.25% maximum upon giving three months' prior notice to shareholders

<sup>#</sup> Subject to change without prior notice

### Other fees

You may have to pay other fees and charges when dealing in the shares of the Fund.

## Additional Information

- ▶ You generally buy and redeem shares at the Fund's next-determined price as long as the Hong Kong Representative or the Transfer Agent receives your request in good order before the 6:00p.m. cut-off (HK time). Please check whether your distributor has an internal cut-off time which is earlier than this.
- ▶ The net asset value of the Fund is calculated daily. Prices of shares are published each business day on [www.blackrock.com/hk](http://www.blackrock.com/hk). This website has not been reviewed by SFC.
- ▶ The updated list of currently available shares is available from the Hong Kong Representative.

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.