The Directors of the Company whose names appear both on the Company's directorship register and under the heading "Management of the Company" accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

iShares
by BlackRock

# iShares VII Public Limited Company

# Prospectus

Dated 2 March 2026

*(An umbrella investment company with variable capital and having segregated liability between its Funds incorporated with limited liability in Ireland under registration number 469617 and authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)*

**iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B**
**iShares $ Treasury Bond 3-7yr UCITS ETF**
**iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc)**
**iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc)**
**iShares € Govt Bond 3-7yr UCITS ETF**
**iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc)**
**iShares Core EURO STOXX 50 UCITS ETF**
**iShares Core FTSE 100 UCITS ETF GBP (Acc)**
**iShares Core MSCI EMU UCITS ETF**
**iShares Core MSCI Pacific ex-Japan UCITS ETF**
**iShares Core S&P 500 UCITS ETF**
**iShares Dow Jones Industrial Average UCITS ETF**
**iShares FTSE Italia Mid-Small Cap UCITS ETF**
**iShares FTSE MIB UCITS ETF EUR (Acc)**
**iShares MSCI Canada UCITS ETF**
**iShares MSCI EM Asia UCITS ETF**
**iShares MSCI EMU CHF Hedged UCITS ETF (Acc)**
**iShares MSCI EMU Paris-Aligned Climate UCITS ETF**
**iShares MSCI EMU Small Cap UCITS ETF**
**iShares MSCI EMU USD Hedged UCITS ETF (Acc)**
**iShares MSCI Japan UCITS ETF**
**iShares MSCI Korea UCITS ETF USD (Acc)**
**iShares MSCI Mexico Capped UCITS ETF**
**iShares MSCI Russia ADR/GDR UCITS ETF***
**iShares MSCI UK IMI Leaders UCITS ETF****
**iShares MSCI UK Small Cap UCITS ETF**
**iShares MSCI UK UCITS ETF**
**iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF**
**iShares MSCI USA UCITS ETF**
**iShares Nasdaq 100 ex-Top 30 UCITS ETF**
**iShares Nasdaq 100 Top 30 UCITS ETF**
**iShares NASDAQ 100 UCITS ETF**
**iShares Nikkei 225 UCITS ETF**
**iShares Russell 1000 Growth UCITS ETF**
**iShares Russell 1000 Value UCITS ETF**
**iShares S&P 500 3% Capped UCITS ETF**
**iShares S&P 500 Paris-Aligned Climate UCITS ETF**
**iShares S&P 500 Top 20 UCITS ETF**

* This Fund was closed to new investment on 2 March 2022 and is in the process of being terminated.
** This Fund was closed to new investment on 19 August 2025 and is in the process of being terminated.

Distribution of this document is not authorised unless it is accompanied by a copy of the latest annual report and audited financial statements and, if published thereafter, the latest semi-annual report and unaudited financial statements. Such reports will form part of this Prospectus.

**IMPORTANT INFORMATION**

***This document contains important information and should be read carefully before investing. If you have any questions about the content of this Prospectus you should consult your broker, intermediary, bank manager, legal adviser, financial accountant or other independent financial adviser.***

***The value of the Shares and any income from them may go down as well as up and accordingly an investor may not get back the full amount invested.***

***An investment in the Funds of the Company should not constitute a substantial proportion of an investment portfolio and may not be suitable for all investors. Please refer to the "Risk Factors" section for more information. As determined as at the date of this Prospectus, the Net Asset Value of iShares Core EURO STOXX 50 UCITS ETF, iShares Core MSCI Pacific ex-Japan UCITS ETF, iShares MSCI Korea UCITS ETF USD (Acc), iShares MSCI Mexico Capped UCITS ETF and iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF is likely to have a high volatility due to the nature of the investment policies of these Funds as reflected in their risk and reward profiles as set out in the relevant KIID or KID.***

*Capitalised terms used in this Prospectus are defined on pages 7 to 14.*

*The distribution of this Prospectus and the offering or purchase of the Shares of the Company may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Account Opening Form and Dealing Form in any such jurisdiction may treat this Prospectus or such Account Opening Form and Dealing Form as constituting an invitation to them to purchase or subscribe for Shares, nor should they in any event use such Account Opening Form and Dealing Form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Account Opening Form and Dealing Form could lawfully be used. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and subscribing, holding or disposing of such Shares and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence, incorporation or domicile, including any requisite government or other consents and the observing of any other formalities.*

*The Shares of each Fund will normally be primarily listed and admitted for trading on the SIX or the main market of the LSE (but may be primarily listed on an alternative stock exchange). It is also intended that the Shares of each Fund will be listed and admitted for trading on a number of other stock exchanges (including without limitation, Xetra, SIX Swiss Exchange, NYSE Euronext Amsterdam, Borsa Italiana, Bolsa Mexicana de Valores (Mexican Stock Exchange) and CBOE (Chicago Board Options Exchange)) but the Company does not warrant or guarantee that such listings will take place or continue to exist. In the event that such listings do take place, the primary listing of the Shares of the Funds will normally be on the SIX or the main market of the LSE (although a number of Funds may be primarily listed on an alternative stock exchange) and any other listings shall be secondary to the primary listing.*

*For details of where Shares are listed or admitted for trading, please refer to the official iShares website (www.ishares.com).*

*It is possible that in certain jurisdictions, parties entirely unaffiliated with the Company (and any Fund), the Manager or the Investment Manager, may make the Shares of any Fund(s) available for investment by investors in those jurisdictions through off market trading mechanisms. Neither the Company, nor the Manager, nor the Investment Manager, endorse or promote such activities and are not in any way connected to such parties or these activities and do not accept any liability in relation to their operation and trading.*

***The Shares have not been, and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Shares may not be offered or sold directly or indirectly in the United States or for the account or benefit of any US Person. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law.***

***Shares may not, except pursuant to a relevant exemption, be acquired or owned by, or acquired with the assets of an ERISA Plan.***

***Additionally, Shares may not be acquired by a person who is deemed to be a US Person under the 1940 Act and regulations thereunder or a person who is deemed to be a US Person under the CEA and regulations thereunder.***

***The Shares have not been, nor will they be, qualified for distribution to the public in Canada as no prospectus for the Company has been filed with any securities commission or regulatory authority in Canada or any province or territory thereof. This document is not, and under no circumstances is to be***

***construed, as an advertisement or any other step in the furtherance of a public offering of Shares in Canada. No Canadian Resident may purchase or accept a transfer of Shares unless he is eligible to do so under applicable Canadian or provincial laws.***

***In order to ensure compliance with the restrictions referred to above, the Company is, accordingly, not open for investment by any non-Qualified Holder except in exceptional circumstances and then only with the prior consent of the Directors or Manager. A prospective investor may be required at the time of acquiring Shares to represent that such investor is a Qualified Holder and is not acquiring Shares for or on behalf of a non-Qualified Holder. The granting of prior consent by the Directors to an investment does not confer on the investor a right to acquire Shares in respect of any future or subsequent application.***

*Applicants for Shares will be required to declare if they are a US Person. Investors (whether they invested through the Primary Market or the Secondary Market) are required to notify the Transfer Agent immediately in the event that they cease to be a Qualified Holder. Where the Company becomes aware that any Shares are directly or beneficially owned by a non-Qualified Holder, it may redeem the Shares so held compulsorily and may also impose a fee on each such person who is not a Qualified Holder to compensate the Company for any loss it has suffered (or may suffer) in respect of such holding of Shares.*

*Each Fund which invests physically in Indian securities ("Fund with India Exposure") is required to be registered as a Category II FPI under the SEBI Regulations. In order to be registered as a Category II FPI, each Fund with India Exposure is required to demonstrate that it satisfies the following broad based criteria: (i) The Fund must have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. (ii) No investor shall hold over 49% of the Shares (by number and value) of the Fund. Institutional investors who hold over 49% of a Fund with India Exposure must themselves comply with broad based criteria. Underlying beneficial owners who hold over 25% of the Fund are required to provide their consent to the FPI registration and, to that end, have their client information disclosed to the relevant depository participant and Securities and Exchange Board of India. For the reasons above,* ***no investor in a Fund with India Exposure may hold over 49% of Shares (by number and value) of the Fund (apart from Common Depositary's Nominee)****.* ***Any investor who holds more than 25% of the Shares (by number and value) of a Fund with India Exposure hereby consents to the FPI registration of the relevant Fund and consents to have their client information disclosed to the Company and to the relevant depository participant and SEBI by brokers, custodians, nominees, local Central Securities Depositaries, International Central Securities Depositaries, and any other intermediary and by the Company and its service providers.***

*Shares in each Fund with India Exposure have not been and will not be registered under the laws of India and are not intended to benefit from any laws in India promulgated for the protection of shareholders. Shares in each Fund with India Exposure are not being offered to, and may not be, directly or indirectly, sold or delivered within India, acquired by, transferred to or held for the benefit of an Indian Origin Restricted Entity or to any person for re-offering or re-sale directly or indirectly to an Indian Origin Restricted Entity. The Company does not knowingly permit the sale of Shares of each Fund with India Exposure or any beneficial interests therein to Indian Origin Restricted Entities.*

*A prospective investor in a Fund with India Exposure may be required at the time of acquiring Shares (or subsequently) to represent that such investor is not an Indian Origin Restricted Entity and/or is not acquiring Shares for or on behalf of an Indian Origin Restricted Entity. Shareholders in a Fund with India Exposure are required to notify the Company and Investment Manager immediately in the event that they become Indian Origin Restricted Entities or hold Shares for the benefit of Indian Origin Restricted Entities. The Company, the Manager or the Investment Manager may request information from Shareholders on themselves and the beneficial owners of the Shares for the purpose of determining whether or not the Shareholders or the beneficial owners are Indian Origin Restricted Entities. By investing in a Fund with India Exposure (whether directly or indirectly), investors consent to the provision of such information and to any disclosure of such information to the Company, the Manager and the Investment Manager.*

*If it comes to the attention of the Company that any Shares in a Fund with India Exposure are legally or beneficially owned, directly or indirectly, by any person in breach of the above restrictions, whether alone or in conjunction with any other person, it will, to the extent the Shares can be identified and redeemed, compulsorily redeem the Shares so held. Where Shares are compulsorily redeemed, the investor will receive the proceeds less costs incurred and less such amounts as may be required to compensate or indemnify the Company, the Manager and the Investment Manager for any loss suffered (or may be suffered) by any of them in respect of the holding of Shares by or for the benefit of an Indian Origin Restricted Entity.*

*If any Shareholder or beneficial owner fails to disclose the requested information and, due to such nondisclosure or inadequate disclosure, the Directors believe there is an issue regarding such Shareholder and/or the beneficial owner being an Indian Origin Restricted Entity, the Company will, to the extent the Shares can be identified and redeemed, compulsorily redeem the Shares in the relevant Fund with India Exposure held by or for the benefit of such person.*

*Where Shares are compulsorily redeemed, the investor will receive any proceeds less costs incurred and less such amounts as may be required to compensate or indemnify the Company, the Manager and the Investment Manager*

*for any loss suffered (or may be suffered) by any of them in respect of the holding of Shares by or for the benefit of such person.*

*Any person who breaches any of the above restrictions shall indemnify each of the Company, the Manager and the Investment Manager from any losses or claims suffered or incurred by any of them in connection with such breach.*

*Shares are offered only on the basis of the information contained in the current Prospectus and the latest annual report and audited financial statements and any subsequent semi-annual report and unaudited financial statements. These reports will form part of this Prospectus.*

*Any further information or representation given or made by any dealer, salesman or other person should be disregarded and, accordingly, should not be relied upon.*

*Statements made in this Prospectus are based on the Directors' understanding of the law and practice currently in force in Ireland and are subject to changes therein. Figures contained in this Prospectus are accurate as at the date of this Prospectus only and are subject to changes therein.*

*This Prospectus may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, the English language Prospectus will prevail, except to the extent (and only to the extent) that it is required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail. Any disputes as to the terms of the Prospectus, regardless of the language of the Prospectus, shall be governed by and construed in accordance with the laws of Ireland. Additionally, each investor irrevocably submits to the jurisdiction of the courts of Ireland for resolution of any disputes arising out of or in connection with the offering of Shares in the Company.*

*The Company may make application to register and distribute its Shares in jurisdictions outside Ireland. In the event that such registrations take place, local regulations may require the appointment of paying/facilities agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary rather than directly to the Depositary bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary and (b) redemption monies payable by such intermediate entity to the relevant investor. The fees and expenses in connection with the registration and distribution of Shares in such jurisdictions, including the appointment of representatives, distributors or other agents in the relevant jurisdictions and the production of local country information documents, will be at normal commercial rates and may be borne by the Company and/or the Funds.*

*This Prospectus, and the KIID or KID for the relevant Fund and/or Share Class should each be read in its entirety before making an application for Shares.*

*While not forming part of the investment objectives or investment policies of the Funds, investors should note the provisions relating to taxation in Germany set out in the section entitled "German Taxation".*

*For NOTICE TO RESIDENTS OF THE KINGDOM OF SAUDI ARABIA:*
*This document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Investment Funds Regulations issued by the Capital Market Authority. The Capital Market Authority does not make any representation as to the accuracy or completeness of this document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this document. Prospective subscribers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities to be offered. If you do not understand the contents of this document, you should consult an authorised financial adviser.*

***Distribution in or from the Abu Dhabi Global Market ("ADGM")***

*This Prospectus may not be distributed in or from the ADGM except to such person which meet the Professional Client criteria set out in Rule 2.4.1 of the conduct of business rules (**COBS**) in the Financial Services Regulatory Authority of the Abu Dhabi Global Market (**"FSRA"**) handbook.* ***This Prospectus and any related document is strictly not directed to those who would be considered a retail client under COBS.***

*This Prospectus relates to the Company which is not subject to any form of regulation or approval by the FSRA.*

*The FSRA accepts no responsibility for reviewing or verifying any prospectus or documents in connection with the Company. Accordingly, the FSRA has not approved the Prospectus or any other associated documents nor taken any steps to verify the information set out in the Prospectus and has no responsibility for it.*

*The shares to which the Prospectus relates may be illiquid and/or subject to restrictions on its resale. Prospective purchasers should conduct their own due diligence on the Company.*

*If you do not understand the contents of this Prospectus you should consult an authorised financial adviser.*

**DATA PROTECTION**

***Investors should note that the Company and/or Manager may handle their personal data (within the meaning of GDPR, "Personal Data") or Personal Data of individuals connected with an investor's directors, officers, employees and/or beneficial owners.***

***The privacy notice prepared in respect of the Company and the Manager in its capacity as the management company of the Company (the "Privacy Notice") contains information on the collection, use, disclosure, transfer and processing of Personal Data by the Company and/or Manager and sets out the rights of individuals in relation to their Personal Data held by the Company and/or Manager.***

***The Privacy Notice is available at www.ishares.com.***

***Requests for further information in relation to the Company's use, Manager's use and/or BlackRock's use of Personal Data and requests to exercise the rights in relation to Personal Data, as set out in the Privacy Notice, should be addressed to: The Data Protection Officer, BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL.***

**DIRECTORY**

**iShares VII public limited company**
J.P. Morgan
200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2
D02 RK57
Ireland

**Board of Directors of the Company**
William McKechnie (Chairman)
Ros O'Shea
Deirdre Somers
Padraig Kenny
Manuela Sperandeo

Registered Office of the Manager
BlackRock Asset Management Ireland Limited
3rd Floor
Glencar House
20 Merrion Road
Dublin 4
D04 T9F3
Ireland

Investment Manager
BlackRock Advisors (UK) Limited
12 Throgmorton Avenue
London EC2N 2DL
England

Registered office of the Depositary
The Bank of New York Mellon SA/NV, Dublin Branch
Riverside II
Sir John Rogerson's Quay
Grand Canal Dock
Dublin 2
D02 KV60
Ireland

Administrator
BNY Mellon Fund Services (Ireland) Designated Activity Company
One Dockland Central
Guild Street, IFSC
Dublin 1
Ireland

Transfer Agent
State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

Secretary
Apex IFS Limited
Floor 2
Block 5
Irish Life Centre
Abbey Street Lower
Dublin 1
D01 P767

Auditors and Reporting Accountant
Deloitte Ireland LLP
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

Legal Advisors (as to Irish Law)
Maples and Calder (Ireland) LLP
75 St Stephen's Green
Dublin 2
Ireland

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# DEFINITIONS

*"Account Opening Form",* such account opening form or application form (as the context requires) as the Directors may prescribe, to be completed by the Authorised Participant for the purposes of opening a Primary Market dealing account in relation to the Company and/or relevant Fund; or to be completed by the Common Depositary's Nominee for the purposes of applying for Shares of the Funds to be issued in its name and to include authorisation for the Company to deal with Authorised Participants (as applicable).

"*Accumulating Share Class*", a Share Class designated as being "Accumulating" in the list of Share Classes listed under the heading "Classes of Share" in "The Company" section of this Prospectus or "Acc" in the "Current and Launched Share Classes" table in "The Company" section of this Prospectus and in respect of which income and other profits will be accumulated and reinvested.

*"Act"*, the Companies Act 2014 (of Ireland), as may be amended.

*"Administrator"*, BNY Mellon Fund Services (Ireland) Designated Activity Company, and/or such other person as may be appointed, with the prior approval of the Central Bank, to provide administration services to the Company.

*"Administration Agreement",* the agreement made between the Manager and the Administrator in respect of the provision of administration services to the Company as may be amended from time to time in accordance with the requirements of the Central Bank.

*"ADR",* American Depository Receipt.

*"Affiliate", a* company which has the ultimate parent of the Investment Manager as its ultimate parent, or a company in which the ultimate parent of the Investment Manager has at least 50% direct or indirect ownership.

*"AMF ESG Rules",* the position and recommendation DOC-2020-03 of the French Autorité des Marchés Financiers (AMF). For further information please refer to https://www.amf-france.org/en/regulation/policy/doc-2020-03.

*"Articles"*, the Articles of Association of the Company, as amended from time to time.

*"Australian Dollar" or "AUD",* the lawful currency of the Commonwealth of Australia.

*"Authorised Participant",* a market maker or broker entity which is registered with the Company as an authorised participant and therefore able to subscribe directly to, or redeem directly from, the Company for Shares in a Fund (i.e. the Primary Market).

*"Base Currency",* the base currency of a Fund.

*"Benchmark Index",* in relation to a Fund, the index against which the return of the Fund will be compared. (Where "Net USD" is used in the name of a benchmark index this indicates that dividends are reinvested (net) after the deduction of withholding taxes, and that the benchmark index is denominated in US Dollar).

*"Benchmarks Regulation",* Regulation (EU) 2016/1011 of the European Parliament and of the Council, as amended by Regulation (EU) 2019/2089 of The European Parliament and of the Council of 27 November 2019 as may be amended or replaced.

*"Benchmarks Regulation Register",* register of administrators and benchmarks maintained by ESMA under the Benchmarks Regulation.

*"Benefit Plan Investor"* shall have the meaning contained in Section 3(42) of US Employee Retirement Income Security Act of 1974 ("ERISA"), and includes (a) an ''employee benefit plan'' as defined in Section 3(3) of ERISA that is subject to Part 4 of Title I of ERISA; (b) a ''plan'' described in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code; and (c) an entity whose underlying assets include ''plan assets'' by reason of an employee benefit plan's or a plan's investment in such entity. For purposes of the foregoing, a ''Benefit Plan Investor'' does not include a governmental plan (as defined in Section 3(32) of ERISA), a non-US plan (as defined in Section 4(b)(4) of ERISA) or a church plan (as defined in Section 3(33) of ERISA) that has not elected to be subject to ERISA.

*"BlackRock Group",* the BlackRock, Inc. group of companies and any of their affiliates and connected persons.

*"Board of Directors",* the board of Directors of the Company.

*"Bond Connect",* is an initiative launched in July 2017 for mutual bond market access between the PRC and Hong Kong, established by the CFETS, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, HKEX and Central Moneymarkets Unit.

"*Borsa Italiana*", Borsa Italiana S.p.A.

"*Business Day"*, in relation to all Funds, a day on which markets are open for business in England (or such other day as the Directors may from time to time determine subject to advance Shareholder notice).

"*Canadian Dollar" or "CAD",* the lawful currency of Canada.

"*Canadian Resident"*, a person resident in Canada for the purposes of Canadian income tax legislation.

"*Cash Component*", the cash component of the Portfolio Composition File. The Cash Component will be made up of three elements, namely, (i) the accrued dividend attributable to Shares of the Fund (generally dividends and interest earned less fees and expenses incurred since the previous distribution), (ii) cash amounts representing amounts arising as a result of rounding the number of Shares to be delivered, capital cash held by the Fund or amounts representing differences between the weightings of the Portfolio Composition File and the Fund and (iii) any Duties and Charges which may be payable.

*"CCASS",* the Hong Kong Central Clearing and Settlement System.

"*CEA",* the Commodities Exchange Act (of the United States), as amended.

"*Central Bank"*, the Central Bank of Ireland or any successor thereof.

"*Central Bank UCITS Regulations"*, Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended or replaced.

*"CFETS",* the China Foreign Exchange Trade System & National Funding Centre.

"*Central Securities Depositaries",* such Recognised Clearing Systems which are national settlement systems for individual national markets. As the Funds issue Shares through the International Central Securities Depositary settlement system, Central Securities Depositaries would be Participants in an International Central Securities Depositary.

"*China A Shares*", securities of companies that are incorporated in the PRC and denominated and traded in Renminbi on the Shanghai and Shenzhen Stock Exchanges.

"*ChinaClear",* means China Securities Depositary and Clearing Corporation Limited which is the PRC's central securities depository in respect of China A Shares.

"*Clearstream",* Clearstream Banking, Société Anonyme, Luxembourg and any successor in business thereto.

"*Common Depositary",* the entity appointed as a depositary for the International Central Securities Depositaries, currently Citibank Europe plc, having its registered office at 1 North Wall Quay, Dublin 1.

"*Common Depositary's Nominee",* the entity appointed as nominee for any Common Depositary and as such acts as the registered holder of the Shares in the Funds, currently Citivic Nominees Limited.

"*Company",* iShares VII plc.

"CSDCC", China Securities Depository and Clearing Corporation Limited.

"CSRC", China Securities Regulatory Commission.

"*Currency Hedged Funds",* iShares MSCI EMU CHF Hedged UCITS ETF (Acc) and iShares MSCI EMU USD Hedged UCITS ETF (Acc).

"*Currency Hedging Agreement",* the agreement made between the Investment Manager and State Street Bank & Trust Company, London Branch pursuant to which State Street Bank & Trust Company, London Branch has been appointed to provide currency hedging services for Currency Hedged Funds and all Currency Hedged Share Classes, as may be amended from time to time in accordance with the requirements of the Central Bank.

"*Currency Hedged Share Class*", a Share Class of a Fund (other than the Currency Hedged Funds that have only one Share Class) which allows the use of hedging transactions to reduce the effect of exchange rate fluctuations as described under the heading "Currency Hedged Share Classes" in "The Company" section of this Prospectus.

"*Current Funds"*, the Funds in existence as at the date of this Prospectus as listed on page 1 of this Prospectus.

"*Current Share Classes*", the Share Classes of the Current Funds available for launch at the discretion of the Manager as at the date of this Prospectus as listed on pages 19 to 22 of this Prospectus.

"*Danish Krone" or "DKK",* the lawful currency of the Kingdom of Denmark.

*"Dealing Day"*, in general, in relation to the Current Funds, each Business Day will be a Dealing Day. However, some Business Days will not be Dealing Days where, for example, markets on which a Fund's Investments are listed or traded or markets relevant to a Benchmark Index are suspended or closed or where there is a public holiday in the relevant jurisdiction in which a delegate of the Investment Manager is based provided there is at least one Dealing Day per fortnight, subject always to the Directors' discretion to temporarily suspend the determination of the Net Asset Value and the sale, switching and/or redemption of Shares in the Company or any Fund in accordance with the provisions of the Prospectus and the Articles. The Investment Manager produces dealing calendars which detail in advance the Dealing Days for each Fund. The dealing calendar may be amended from time to time by the Investment Manager where, for example, the relevant market operator, regulator or exchange (as applicable) declares a relevant market closed for trading and/or settlement (such closure may be made with little or no notice to the Investment Manager). The dealing calendar for each Fund (and each Share Class within a Fund) is available from the Investment Manager.

*"Dealing Form",* such dealing form as the Directors may prescribe for the purposes of dealing in Shares of the Company and/or relevant Fund.

*"Depositary"*, The Bank of New York Mellon SA/NV, Dublin Branch or such other person as may be appointed, with the prior approval of the Central Bank, to act as depositary to the Company.

*"Depositary Agreement",* the agreement between the Company, the Manager and the Depositary as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Directive",* Directive No. 2009/65/EC of the European Parliament and of the Council of 13 July 2009 as amended by Directive No. 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as may be amended or replaced.

*"Directors"*, the directors of the Company or any duly authorised committee thereof.

"*Distributing Share Class*", a Share Class designated as being "Distributing" in the list of Share Classes listed under the heading "Classes of Share" in "The Company" section of this Prospectus or "Dist" in the "Current and Launched Share Classes" table in "The Company" section of this Prospectus and in respect of which distributions of income will be declared.

*"Duties and Charges"*, in relation to any Fund or Share Class, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange spreads, interest, Depositary or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges (including hedging-related costs, transaction costs) whether in connection with the original acquisition or increase of the assets of the relevant Fund or Share Class or the creation, issue, sale, redemption, switching or repurchase of Shares or the sale or purchase of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which, for the avoidance of doubt, includes, when calculating subscription and redemption prices, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription and sold as a result of a redemption and to take into account unrealised gains or losses (and their crystallisation, reinvestment or settlement) from currency forwards in connection with a sale, redemption, switching or repurchase of Shares in a Currency Hedged Share Class or a Currency Hedged Fund), but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value per Share of Shares in the relevant Fund or Share Class.

*"DVP",* delivery versus payment settlement.

*"Electronic Order Entry Facility",* the website facility which may be used by Authorised Participants to submit dealing requests in respect of Shares in a Fund and to obtain information in relation to the dealing procedures.

"*Electronic Order Entry Facility Operator*", the operator of the Electronic Order Entry Facility from time to time.

*"Equity Funds"*, Funds of the Company which track or replicate the performance of a Benchmark Index, the constituents of which are comprised of equities and which are, as at the date of the Prospectus, iShares Core EURO STOXX 50 UCITS ETF, iShares Core FTSE 100 UCITS ETF GBP (Acc), iShares Core MSCI EMU UCITS ETF, iShares Core MSCI Pacific ex-Japan UCITS ETF, iShares Core S&P 500 UCITS ETF, iShares Dow Jones Industrial Average UCITS ETF, iShares FTSE Italia Mid-Small Cap UCITS ETF, iShares FTSE MIB UCITS ETF EUR (Acc), iShares MSCI Canada UCITS ETF, iShares MSCI EM Asia UCITS ETF, iShares MSCI EMU CHF Hedged UCITS ETF (Acc), iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI EMU Small Cap UCITS ETF, iShares MSCI EMU USD Hedged UCITS ETF (Acc), iShares MSCI Japan UCITS ETF, iShares MSCI Korea UCITS ETF USD (Acc), iShares MSCI Mexico Capped UCITS ETF, iShares MSCI UK Small Cap UCITS ETF, iShares MSCI UK UCITS ETF, iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF, iShares MSCI USA UCITS ETF, iShares Nasdaq 100 ex-Top 30 UCITS ETF, iShares Nasdaq 100 Top 30 UCITS ETF, iShares NASDAQ 100 UCITS ETF, iShares Nikkei 225 UCITS ETF, iShares Russell 1000 Growth UCITS ETF, iShares Russell 1000 Value UCITS ETF, iShares S&P 500 3% Capped UCITS ETF, iShares S&P 500 Paris-Aligned Climate UCITS ETF and iShares S&P 500 Top 20 UCITS ETF.

"*ERISA Plan",* (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"); or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended.

"*ESMA"*, the European Securities and Markets Authority.

"*Euro", "EUR" or "€"*, the single European currency unit referred to in Council Regulation (EC) No. 974/98 on 3 May 1998 on the introduction of the Euro, and, at the discretion of the Manager, the currencies of any countries that at any time formed part of the Eurozone.

"*Euroclear"*, Euroclear Bank S.A./N.V. and any such successor in business thereto.

"*Euronext*", Euronext N.V.

*"EMU*" or "*Eurozone*", the Member States that adopt or have adopted the Euro as its lawful currency, at the date of this Prospectus being Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

"*European Economic Area" or "EEA",* the European Economic Area, the participating member states of which are the Member States, Iceland, Liechtenstein and Norway.

"*EU Climate Transition Benchmark*", a benchmark which is labelled as an EU Climate Transition Benchmark and fulfils the requirements for Climate Transition Benchmarks as set out in the Benchmarks Regulation.

"*FDI",* financial derivative instruments.

*"Fitch",* Fitch Ratings, a division of the Fitch Group.

"*Fixed Income Funds",* Funds of the Company which track or replicate the performance of a Benchmark Index, the constituents of which are comprised of fixed income securities and which are, as at the date of the Prospectus, iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B, iShares $ Treasury Bond 3-7yr UCITS ETF, iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc), iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc), iShares € Govt Bond 3-7yr UCITS ETF and iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc).

"*FOP",* free of payment settlement.

*"FTSE",* FTSE Russell, a division of the London Stock Exchange Group plc.

"*Fund"*, a fund of assets established (with the prior approval of the Central Bank) for one or more classes of Shares which is invested in accordance with the investment objectives applicable to such fund and which forms part of the Company; a reference to a "Fund" shall, in the context where no particular Share Class is specified, include all Share Classes attributable to that Fund.

"*GDN"*, Global Depository Note.

"*GDPR",* Regulation (EU) 2016/679 (*G*eneral Data Protection Regulation) of the European Parliament and of the Council of 27 April 2016 as may be amended or replaced.

"*GDR",* Global Depository Receipt.

"*Global Share Certificate"*, the certificate evidencing entitlement to Shares (as described in further detail under the section of this Prospectus entitled "General Information on Dealings in the Company").

"*Hong Kong Dollar" or "HKD",* the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China.

"*HKEX",* Hong Kong Exchanges and Clearing Limited.

"*HKSCC",* Hong Kong Securities Clearing Company Limited.

"*Indian Origin Restricted Entity"*, (i) any "Resident Indian citizen" as such term is defined in the Foreign Exchange Management (Transfer or Issuer of Security by a Person Resident Outside of India) Regulations (as amended or supplemented from time to time), (ii) any person who is a "Non-Resident Indian", an "Overseas Citizens of India" as such terms are defined in the Foreign Exchange Management (Transfer or Issuer of Security by a Person Resident Outside of India) Regulations (as amended or supplemented from time to time), (iii) any entity incorporated or registered in India, and/or (iv) any person who has the intention of purchasing Shares in the Fund to circumvent or otherwise avoid any requirements applicable under the SEBI Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto.

"*Insolvency Event*", occurs in relation to a person where (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in

respect of the person or of any of the person's assets or the person becomes subject to an administration order, (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts, (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business, (v) an event occurs in relation to the person in any jurisdiction that has an effect similar to that of any of the events referred to in (i) to (iv) above or (vi) the Company in good faith believes that any of the above may occur.

"*International Central Securities Depositaries*", such Recognised Clearing Systems used by the Funds in issuing their Shares through the International Central Securities Depositary settlement system, which is an international settlement system connected to multiple national markets, and which includes Euroclear and/or Clearstream.

*"Investment"*, any investment authorised by the Memorandum which is permitted by the Regulations and the Articles.

*"Investment Manager"*, BlackRock Advisors (UK) Limited and/or such other person as may be appointed, in accordance with the requirements of the Central Bank, to provide investment management services to the Funds.

*"Investment Management Agreement",* the agreement between the Manager and the Investment Manager in respect of the provision of investment management services to the Funds, as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Japanese Yen" or "JPY",* the lawful currency of Japan.

*"KIID" or "KID",* the key investor information document issued in respect of each Fund pursuant to either the Regulations or the PRIIPs Regulation, as may be amended from time to time.

"*Launched Share Class*", a Share Class in existence and available for investment as at the date of this Prospectus as listed on pages 19 to 22 of this Prospectus.

*"LSE",* the London Stock Exchange, a division of the London Stock Exchange Group plc.

*"Manager"*, BlackRock Asset Management Ireland Limited, a limited liability company incorporated in Ireland.

*"Management Agreement",* the agreement between the Company and the Manager as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Member State"*, a member state of the European Union as at the date of this Prospectus.

*"Memorandum",* the Memorandum of Association of the Company, as amended from time to time.

*"Mexican Peso" or "MXP",* the lawful currency of Mexico.

*"MiFID II",* Directive 2014/65/EU (Markets in Financial Instruments Directive), as may be amended, replaced, supplemented or novated.

*"Moody's",* Moody's Investors Service, a division of Moody's Corporation.

*"MSCI",* MSCI Inc.

*"NASDAQ"*, a division of NASDAQ OMX Group, Inc.

*"Net Asset Value"*, the net asset value of a Fund or Share Class (as appropriate) determined in accordance with the Articles.

*"New Zealand Dollar" or "NZD",* the lawful currency of New Zealand.

*"Nikkei"*, Nikkei Inc.

*"Non-Significant Markets",* any market that is not a Significant Market.

*"OECD",* the Organisation for Economic Co-operation and Development.

*"OTC", over the counter.*

*"Paris Agreement",* the agreement adopted under the United Nations Framework Convention on Climate Change on 12 December 2015 and approved by the European Union on 5 October 2016 with the aim of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

"*Participants",* accountholders in an International Central Securities Depositary, which may include Authorised Participants, their nominees or agents, and who hold their interest in Shares of the Funds settled and/or cleared through the applicable International Central Securities Depositary.

"*Paying Agent",* the entity appointed to act as paying agent to the Funds.

*"PBOC",* People's Bank of China.

"*Portfolio Composition File",* the file setting out the Investments and Cash Component which may be transferred to the Fund, in the case of subscriptions, and by the Company, in the case of redemptions, in satisfaction of the price of Shares thereof. Each Share Class of a Fund will have a Portfolio Composition File, which may (but need not) differ from the Portfolio Composition Files for other Share Classes within the same Fund.

"*Primary Market*", the off exchange market whereon Shares of a Fund are created and redeemed directly with the Company.

"*PRC",* the People's Republic of China.

*"PRIIPs Regulation",* Regulation (EU) No.1286/2014 of the European Parliament and of the Council of 26 November 2014 as may be amended or replaced.

"*Prospectus",* this document as it may be amended from time to time in accordance with the Central Bank UCITS Regulations together with, where the context requires or implies, any Supplement or addendum.

"*Qualified Holder",* any person, corporation or entity other than (i) a US Person as defined under Rule 902(k) of the 1933 Act; (ii) an ERISA Plan; (iii) any other person, corporation or entity to whom a sale or transfer of Shares, or in relation to whom the holding of Shares (whether directly or indirectly affecting such person, and whether taken alone or in conjunction with other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) would (a) cause the Company to be required to register as an ''investment company'' under the 1940 Act, (b) would cause the Shares in the Company to be required to be registered under the 1933 Act, (c) would cause the Company to become a ''controlled foreign corporation'' within the meaning of the US Internal Revenue Code of 1986, (d) would cause the Company to have to file periodic reports under section 13 of the US Exchange Act of 1934, (e) would cause the assets of the Company to be deemed to be ''plan assets'' of a Benefit Plan Investor, or (f) would cause the Company otherwise not to be in compliance with the 1940 Act, the 1933 Act, the US Employee Retirement Income Security Act of 1974, the US Internal Revenue Code of 1986 or the US Exchange Act of 1934; (iv) a custodian, nominee, trustee or the estate of any person, corporation or entity described in (i) to (iii) above, or (v) in relation to a Fund with India Exposure, an Indian Origin Restricted Entity or any person, corporation or entity acquiring or holding Shares for and on behalf of an Indian Origin Restricted Entity.

"*Recognised Clearing System"*, a "recognised clearing system" so designated by the Irish Revenue Commissioners (e.g. CREST or Euroclear).

"*Regulated Markets"*, the stock exchanges and/or regulated markets listed in Schedule I and in the relevant Supplement, if any.

"*Regulations"*, European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended by European Communities (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 as may be amended or replaced.

"*Regulatory Information Service",* any of the news services set out in Schedule 12 to the Listing Rules of the UKLA.

"*Remuneration Policy",* the policy as described in the section entitled "The Manager" including, but not limited to, a description as to how remuneration and benefits are calculated and identification of those individuals responsible for awarding remuneration and benefits.

"*RQFII",* Renminbi Qualified Foreign Institutional Investor.

"*S&P*", Standard & Poor's, a division of S&P Global Inc.

"*SEBI",* Securities and Exchange Board of India.

"*SEBI Regulations",* Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (as amended or supplemented from time to time).

"*SEC",* the US Securities and Exchange Commission.

"*Secondary Market",* a market on which Shares of the Funds are traded between investors rather than with the Company itself, which may either take place on a recognised stock exchange or OTC.

"*SEHK",* the Stock Exchange of Hong Kong.

"*SFDR*", Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.

*"Share",* a participating share of no par value in a Fund or any Share Class representing a participation in the capital of the Company and carrying rights attributable to the relevant Fund or Share Class, issued in accordance with the Articles and with the rights provided for under the Articles.

*"Share Class",* any class of Share attributable to a particular Fund and carrying rights to participate in the assets and liabilities of such Fund, as further described below under "Classes of Share", in "The Company" section of this Prospectus.

*"Shareholder"*, the registered holder of a Share in a Fund of the Company.

*"Significant Markets"*, in respect of a Fund any market or combination of markets where the value of a Fund's Investments, or exposure in those markets exceeds 30% of that Fund's Net Asset Value, calculated as at that Fund's most recent annual accounting date and recorded in the Company's financial statements unless the Investment Manager determines to apply a different percentage and/or date which it believes to be more appropriate.

"*Significant Markets Business Day*", in respect of each Fund, a Business Day on which Significant Markets are open for trading and settlement.

*"Singapore Dollar" or "SGD",* the lawful currency of the Republic of Singapore.

"*SIX*", SIX Swiss Exchange.

*"Sterling", "GBP" or "Stg£"*, the lawful currency of the United Kingdom.

*"Stock Connect",* the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect.

*"Stock Connect Funds",* Funds that invest in China A Shares on the SSE or SZSE via the Stock Connect.

*"STOXX",* STOXX Ltd, a division of Deutsche Börse AG.

*"SSE",* the Shanghai Stock Exchange.

*"Structured Finance Securities",* eligible debt or equity securities or other financial instruments, including asset-backed securities and credit-linked securities, which may be issued by a member of the BlackRock Group.

*"Subscriber Shares"*, shares of €1.00 each in the capital of the Company designated as "Subscriber Shares" in the Articles and subscribed by or on behalf of the Manager for the purposes of incorporating the Company.

*"Supplement",* any document issued by the Company expressed to be a supplement to this Prospectus.

*"Swedish Krona" or "SEK",* the lawful currency of the Kingdom of Sweden.

*"Swiss Francs" or "CHF"*, the lawful currency of the Swiss Confederation.

*"SZSE",* the Shenzhen Stock Exchange.

*"Taxonomy Regulation",* Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088.

*"Tel Aviv Stock Exchange", Tel Aviv Stock Exchange Ltd.*

*"Transfer Agency Agreement*", the agreement made between the Manager and the Transfer Agent in respect of the provision of transfer agency and registrar services to the Company as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Transfer Agent",* State Street Fund Services (Ireland) Limited or such person as may be appointed, in accordance with the requirements of the Central Bank, to provide transfer agency and registrar services to the Company.

*"UCITS"*, an Undertaking for Collective Investment in Transferable Securities established pursuant to the Directive, as amended.

*"UKLA",* the United Kingdom Listing Authority, part of the UK Financial Conduct Authority.

*"Umbrella Cash Collection Account",* a collection account established by the Company at umbrella level in the name of the Company.

"*Unhedged Share Class*", a Share Class which is not a Currency Hedged Share Class.

*"United Kingdom" and "UK"*, the United Kingdom of Great Britain and Northern Ireland.

*"United States" and "US"*, the United States of America, its territories, possessions, any State of the United States and the District of Columbia.

*"US Dollar", "USD", "US$" or "$",* the lawful currency of the United States.

*"US Person"*, any person or entity deemed by the SEC from time to time to be a "US Person" under Rule 902(k) of the 1933 Act or other person or entity as the Directors may determine. The Directors may amend the definition of "US Person" without Shareholder notice as necessary in order best to reflect then-current applicable US law and regulation. Further information regarding the meaning of "US Person" is set out in Schedule V.

*"Valuation Currency",* in respect of a Share Class*,* the currency in which a class of Shares is priced by the Administrator and in which such Shares are denominated.

*"Valuation Point"*, such time and day as the Directors may from time to time determine (with the consent of the Administrator) in relation to the valuation of the assets and liabilities of a Fund and the Share Classes within that Fund. Please see the Primary Market Dealing Timetable on pages 96 to 97 for further details of the Valuation Point applicable to the Current Funds.

"*Xetra*", Deutsche Börse Xetra, in Frankfurt, Germany.

*"1933 Act"*, the Securities Act of 1933 (of the United States), as amended.

*"1940 Act"*, the Investment Company Act of 1940 (of the United States), as amended.

# THE COMPANY

**General**

The Company is an umbrella open-ended investment company with variable capital and having segregated liability between its Funds. The Company is organised under the laws of Ireland as a public limited company pursuant to the Act. The Company has been authorised by the Central Bank as a UCITS pursuant to the Regulations and is regulated under the Regulations. The Company is an exchange traded fund. It was incorporated on 9 April 2009 under registration number 469617. **Authorisation of the Company by the Central Bank is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus. The authorisation of the Company shall not constitute a warranty as to performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.**

Clause 2 of the Memorandum provides that the Company's sole objective is the collective investment in transferable securities and/or other liquid financial assets referred to in the Regulations of capital raised from the public and which operates on the principle of risk spreading.

The Company is a UCITS and accordingly each of the Funds are subject to the investment and borrowing restrictions set out in the Regulations and the Central Bank UCITS Regulations. These are set out in detail in Schedule III below.

**Funds**

This Prospectus relates to the following Funds:

iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B
iShares $ Treasury Bond 3-7yr UCITS ETF
iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc)
iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc)
iShares € Govt Bond 3-7yr UCITS ETF
iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc)
iShares Core EURO STOXX 50 UCITS ETF
iShares Core FTSE 100 UCITS ETF GBP (Acc)
iShares Core MSCI EMU UCITS ETF
iShares Core MSCI Pacific ex-Japan UCITS ETF
iShares Core S&P 500 UCITS ETF
iShares Dow Jones Industrial Average UCITS ETF
iShares FTSE Italia Mid-Small Cap UCITS ETF
iShares FTSE MIB UCITS ETF EUR (Acc)
iShares MSCI Canada UCITS ETF
iShares MSCI EM Asia UCITS ETF
iShares MSCI EMU CHF Hedged UCITS ETF (Acc)
iShares MSCI EMU Paris-Aligned Climate UCITS ETF
iShares MSCI EMU Small Cap UCITS ETF
iShares MSCI EMU USD Hedged UCITS ETF (Acc)
iShares MSCI Japan UCITS ETF
iShares MSCI Korea UCITS ETF USD (Acc)
iShares MSCI Mexico Capped UCITS ETF
iShares MSCI Russia ADR/GDR UCITS ETF*
iShares MSCI UK IMI Leaders UCITS ETF**
iShares MSCI UK Small Cap UCITS ETF
iShares MSCI UK UCITS ETF
iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF
iShares MSCI USA UCITS ETF
iShares Nasdaq 100 ex-Top 30 UCITS ETF
iShares Nasdaq 100 Top 30 UCITS ETF
iShares NASDAQ 100 UCITS ETF
iShares Nikkei 225 UCITS ETF
iShares Russell 1000 Growth UCITS ETF
iShares Russell 1000 Value UCITS ETF
iShares S&P 500 3% Capped UCITS ETF
iShares S&P 500 Paris-Aligned Climate UCITS ETF
iShares S&P 500 Top 20 UCITS ETF

* This Fund was closed to new investment on 2 March 2022 and is in the process of being terminated.
** This Fund was closed to new investment on 19 August 2025 and is in the process of being terminated.

The Company may, with the prior approval of the Central Bank, create additional Funds or Share Classes in which case the Company will issue either a revised prospectus or a Supplement describing such Funds or Share Classes. Details of any Share Classes available for subscription may from time to time be set out in separate Supplements. In addition, a list of all Funds and Launched Share Classes thereof and their fees will be set out in the annual and semi-annual reports of the Company.

**ESG Integration**

Environmental, social and governance (ESG) investing, is often conflated or used interchangeably with the term "sustainable investing." BlackRock has identified sustainable investing as being the overall framework and ESG as a data toolkit for identifying and informing our solutions. BlackRock has defined ESG integration as the practice of incorporating material ESG information and consideration of sustainability risks into investment decisions in order to enhance risk-adjusted returns. BlackRock recognises the relevance of material ESG information across all asset classes and styles of portfolio management. The Investment Manager incorporates sustainability considerations into its investment processes across all Funds. ESG information and sustainability risks are included as a consideration in Benchmark Index selection, portfolio review and investment stewardship processes.

The objective of the Funds is to provide investors with a return that reflects the return of the relevant Benchmark Index. A Benchmark Index may have a sustainability objective or may be designed to avoid certain issuers based on ESG criteria or gain exposure to issuers with better ESG ratings, an ESG theme, or to generate positive environmental or social impact. BlackRock considers the suitability characteristics and risk assessments of the index provider and BlackRock may adapt its investment approach appropriately in line with the Fund's investment objective and policy. A Benchmark Index may also not have explicit sustainability objectives or sustainability requirements. Across all Funds, ESG integration includes:

- Engagement with index providers relating to the Benchmark Index; and
- Consultation across the industry on ESG considerations.
- Advocacy in relation to transparency and reporting, including methodology criteria and reporting on sustainability-related information.
- Investment stewardship activities that are undertaken across all Equity Funds to advocate for sound corporate governance and business practices in relation to the material ESG factors that are likely to impact long-term financial performance.

Where a Benchmark Index explicitly includes a sustainability objective, BlackRock conducts regular reviews with index providers to ensure the Benchmark Index retains consistency with its sustainability objectives.

BlackRock discloses portfolio-level ESG and sustainability related data that is publicly available on product pages of the BlackRock website where permitted by law/regulation so current and prospective investors and investment advisors can view sustainability-related information for a Fund.

Unless otherwise stated in Fund documentation and included within a Fund's investment objective and investment policy, ESG integration does not change a Fund's investment objective or constrain the Investment Manager's investable universe, and there is no indication that an ESG or impact focused investment strategy or any exclusionary screens will be adopted by a Fund. Impact investments are investments made with the intention to generate positive, measurable social and /or environmental impact alongside a financial return. Similarly, ESG integration does not determine the extent to which a Fund may be impacted by sustainability risks. Please refer to "Sustainability Risk" in the "Risk Factors" section of this Prospectus.

**Investment Stewardship**

BlackRock undertakes investment stewardship engagements and proxy voting with the goal of protecting and BlackRock seeks to advance the financial interests of investors through its investment stewardship efforts, consistent with the investment strategy in which they are invested. It does this by engaging with public companies, proxy voting on the Funds' behalf, contributing to industry dialogue on stewardship, and reporting on its stewardship activities.

BlackRock's stewardship approach is comprised of the following core elements (as further described below):

- Global principles
- Engagement
- Proxy voting

*Global principles*
A key focus of the stewardship program is the promotion of sound corporate governance practices and financial resilience. While accepted standards and norms of corporate governance can differ between markets, there are certain globally-applicable fundamental principles of corporate governance that, in BlackRock's experience, contribute to a company's ability to create long-term financial value for shareholders. Some of the focus areas in these global principles include boards and directors (including their effectiveness and composition), shareholder proposals (in particular, their implications for financial value) and material sustainability-related risks and opportunities.

*Engagement*
Engagement is core to BlackRock's stewardship efforts as it provides the opportunity to better understand a company's business model and material risks and opportunities. When assessing material risks and opportunities, BlackRock focuses on the factors that could impact a company's long-term financial performance, which are unique to its business model and/or operating environment.

Engagement may also inform BlackRock's voting decisions, particularly on issues where company disclosures are not sufficiently clear or complete, or management's approach seems misaligned with the financial interests of investors.

BlackRock's engagement priorities reflect the themes on which it most frequently engages companies, where they are relevant and a source of material business risk or opportunity. These themes focus on:

- Board quality and effectiveness: consideration of board performance, which is critical to the long-term financial success of a company and the protection of shareholders' economic interests.

- Strategy, purpose, and financial resilience: understanding how boards and management align their business decision-making with the company's purpose and adjust strategy as necessary.
- Incentives aligned with financial value creation: evaluation of companies' disclosures on the connection between compensation policies and outcomes and the financial interests of shareholders.
- Climate and natural capital: understanding companies' approach to, and oversight of, material climate-related risks and opportunities as well as how they manage material natural-related risks and opportunities, in the context of their business model and sector.
- Company impacts on people: understanding companies' approach to human capital management and their management of the human rights issues that are material to their businesses

*Proxy voting*
BlackRock uses proxy voting to communicate its support for, or concerns about, how companies are serving the long-term financial interests of investors. BlackRock's regional voting guidelines set out guidance on its position on common voting matters. These guidelines are not prescriptive as BlackRock takes into consideration the context in which companies are operating their businesses.

*Climate and Decarbonisation Stewardship Guidelines*
Certain Funds that apply, or which track indices that apply, decarbonisation or climate-related criteria have adopted additional climate and decarbonisation stewardship guidelines (Guidelines). Guidelines will apply to the following Funds: iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI USA Small Cap ESG Enhanced CTB UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF.

Guidelines are focused on matters related to climate risks and the transition to a low-carbon economy at companies that are held by the applicable Funds. In respect of these matters, BlackRock will apply Guidelines, and for all other matters, BlackRock's core stewardship approach (described above) will continue to apply. Guidelines differ from the core stewardship approach in that they consider, in addition to financial considerations and consistent with the investment objective of each applicable Fund, the alignment of companies' business models and strategies with the financial opportunities presented by the transition to a low carbon economy and the more ambitious goal of the Paris Agreement[1], namely, to limit average temperature rise to 1.5°C above pre-industrial levels.

Guidelines will apply to companies which produce goods and services that contribute to real world decarbonisation or have a carbon intensive business model and face outsized impacts from the low carbon transition, based on reported and estimated scopes 1, 2, and 3 greenhouse gas emissions. Where Guidelines apply, BlackRock looks for these companies to provide sufficient corporate disclosure to allow it to determine the extent to which decarbonisation and the low-carbon transition are strategic priorities.

In implementing Guidelines, BlackRock will generally support non-executive directors standing for election where, in BlackRock's assessment based on company disclosures and engagement, a company is executing on its commitment to align with the transition to a low-carbon economy, as defined above. Where BlackRock determines this is not the case, it may vote against the election of one or more non-executive directors who have responsibility for the issue.

Shareholder proposals on a company's approach to the low-carbon transition or climate risk will be considered on their merit. The BlackRock Group's assessment will take into consideration the implications for, and the relevance to, the company's stated low-carbon transition strategy and targets.

*Implementation*
BlackRock implements its stewardship programme in respect of the Funds through the BlackRock Investment Stewardship (BIS) team.

More detailed information on the policies and guidelines of BIS can be found here: https://www.blackrock.com/corporate/insights/investment-stewardship

*Reporting*
BlackRock provides periodic reporting of its stewardship activities, which can be accessed here, as part of a comprehensive library of materials on its stewardship policies and activities: https://www.blackrock.com/corporate/insights/investment-stewardship

**Profile of a Typical Investor**

The Funds are suitable for both retail and professional investors seeking to achieve investment objectives which align with those of the relevant Fund in the context of the investor's overall portfolio.

Investors are expected to be able to make an investment decision based on the information set out in this Prospectus and the relevant Fund's KIID or KID. In addition, investors should consider obtaining professional advice. Investors should also be able to bear capital and income risk and view an investment in a Fund as a medium

[1] The Paris Agreement to the United Nations Framework Convention on Climate Change, December 12, 2015.

to long term investment, although a Fund may also be suitable for providing shorter term exposure to its Benchmark Index where such exposure is sought by the investor.

**Supplements**

Each Supplement should be read in the context of and together with this Prospectus.

**Classes of Share**

Each Fund of the Company comprises a distinct portfolio of Investments. The Shares of each Fund may be issued with different rights, features and on different terms and conditions to those of the other Funds. Shares of a Fund may be divided into different Share Classes with different dividend policies, currency hedging and Valuation Currencies and may therefore have different fees and expenses.

The types of Share Classes that may be made available by the Company in its Funds, except Currency Hedged Funds, are set out below, although not all types of Share Classes are available in every Current Fund. Only one Share Class is available in each Currency Hedged Fund and, accordingly, it is not subject to the classification below.

| **Currency(ies) of the constituents of the Benchmark Index** | **Income Treatment** | **Share Class Valuation Currency** | **Hedged / Unhedged** | **Currency into which the Share Class is Hedged** |
|---|---|---|---|---|
| All in Base Currency | Accumulating | Base Currency | Unhedged | N/A |
| All in Base Currency | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| All in Base Currency | Accumulating | Differs from the Base Currency | Hedged | The same as the Valuation Currency |
| All in Base Currency | Distributing | Base Currency | Unhedged | N/A |
| All in Base Currency | Distributing | Differs from the Base Currency | Unhedged | N/A |
| All in Base Currency | Distributing | Differs from the Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Accumulating | Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Accumulating | Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Accumulating | Differs from the Base Currency and from the currency of the constituents of the Benchmark Index | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Distributing | Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Distributing | Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Distributing | Differs from the Base Currency | Unhedged | N/A |

| Currency(ies) of the constituents of the Benchmark Index | Income Treatment | Share Class Valuation Currency | Hedged / Unhedged | Currency into which the Share Class is Hedged |
|---|---|---|---|---|
| A single currency, different from the Base Currency | Distributing | Differs from the Base Currency and from the currency of the constituents of the Benchmark Index | Hedged | The same as the Valuation Currency |
| Multiple currencies | Accumulating | Base Currency | Unhedged | N/A |
| Multiple currencies | Accumulating | Base Currency | Hedged | The same as the Valuation Currency |
| Multiple currencies | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| Multiple currencies | Accumulating | Differs from the Base Currency | Hedged | The same as the Valuation Currency |
| Multiple currencies | Distributing | Base Currency | Unhedged | N/A |
| Multiple currencies | Distributing | Base Currency | Hedged | The same as the Valuation Currency |
| Multiple currencies | Distributing | Differs from the Base Currency | Unhedged | N/A |
| Multiple currencies | Distributing | Differs from the Base Currency | Hedged | The same as the Valuation Currency |

For details of the Share Classes available in each of the Current Funds as at the date of this Prospectus please refer to the tables below under the heading "Current and Launched Share Classes". Additional classes of Shares, including Share Classes of the type not currently listed above, may be added by the Company to any Fund in the future, at its discretion, in accordance with the requirements of the Central Bank. The creation of additional Share Classes will not result in any material prejudice to the rights attaching to existing Share Classes. Details of the Share Classes available for subscription, and to which different fee structures may apply, may be set out in separate Supplements. In addition a list of all Funds and issued Share Classes thereof will be set out in the annual and semi-annual reports of the Company.

Please note that if you hold a Share Class and you wish to change your holding to a different Share Class of the same Fund, any such change may be treated by tax authorities as a redemption and sale and may be a realisation for the purposes of capital gains taxation.

Please refer to the "Risk Factors" section of this Prospectus for the specific risks associated with investment in a Fund's Share Class.

**Currency Hedged Share Classes**

The Company may issue Currency Hedged Share Classes in Funds that are not Currency Hedged Funds which allow the use of hedging transactions to reduce the effect of currency exchange rate fluctuations. For details regarding the hedging methodology please refer to the section below entitled "Currency Hedged Share Classes".

The Investment Manager may use derivatives (for example, currency forwards, futures, options and swaps, or such other instruments as are permitted under Schedule II of this Prospectus) to hedge the rate of exchange between the currency of all or some of the currencies in which the assets of a Fund (including cash and income) are denominated and the Share Class Valuation Currency.

For further information on the hedging methodology for Currency Hedged Share Classes, please refer to the section titled "Methodologies for Currency Hedging". The transactions, costs and related liabilities and benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular Currency Hedged Share Classes shall be attributed only to the relevant Currency Hedged Share Classes. Currency exposures of different Share Classes may not be combined or offset and currency exposures of the assets of a Fund may not be allocated to separate Share Classes.

**CURRENT AND LAUNCHED SHARE CLASSES**

The Current Share Classes are indicated with a 'Y' and are available to launch at the discretion of the Manager. The Launched Share Classes as at the date of this Prospectus are indicated with an 'L'.

The table below does not contain information in respect of the Funds that have only one Share Class. As at the date of this Prospectus, the Funds that have only one Share Class: iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B, iShares $ Treasury Bond 7-10 yr UCITS ETF USD (Acc), iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc), iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc), iShares Core FTSE 100 UCITS ETF GBP (Acc), iShares FTSE MIB UCITS ETF EUR (Acc), iShares MSCI EMU CHF Hedged UCITS ETF (Acc), iShares MSCI EMU USD Hedged UCITS ETF (Acc) and iShares MSCI Korea UCITS ETF USD (Acc). Please refer to the "Fund Descriptions" section for the Base Currency and the "Dividend Policy" section for the dividend policy of these Funds.

**Current and Launched Unhedged Share Classes (Current Funds other than the Funds listed above that have only one Share Class)**

| Fund Name | Fund Base Ccy | Valuation Currency | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | DKK | | EUR | | GBP | | JPY | | SEK | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares $ Treasury Bond 3-7yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares € Govt Bond 3-7yr UCITS ETF | EUR | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core EURO STOXX 50 UCITS ETF | EUR | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core MSCI EMU UCITS ETF | EUR | Y | Y | L | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Core S&P 500 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Dow Jones Industrial Average UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | EUR | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Canada UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares MSCI EM Asia UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | EUR | Y | Y | Y* | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI EMU Small Cap UCITS ETF | EUR | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares MSCI Mexico Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares MSCI UK Small Cap UCITS ETF | GBP | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y |

| Fund Name | Fund Base Ccy | Valuation Currency | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | DKK | | EUR | | GBP | | JPY | | SEK | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares MSCI UK UCITS ETF | GBP | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares MSCI USA UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y |
| iShares Nasdaq 100 Top 30 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y |
| iShares NASDAQ 100 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Nikkei 225 UCITS ETF | JPY | Y | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y |
| iShares Russell 1000 Growth UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y* |
| iShares Russell 1000 Value UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y* |
| iShares S&P 500 3% Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y* |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares S&P 500 Top 20 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y* | Y |

**Current and Launched Currency Hedged Share Classes (Current Funds other than Funds listed above that have only one Share Class)**

| Fund Name | Fund Base Ccy | Currency into which the exposure is hedged and Valuation Currency | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | AUD | | CAD | | CHF | | DKK | | EUR | | GBP | | HKD | | JPY | | MXP | | NZD | | SEK | | SGD | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares $ Treasury Bond 3-7yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares € Govt Bond 3-7yr UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core EURO STOXX 50 UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core MSCI EMU UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |

| Fund Name | Fund Base Ccy | Currency into which the exposure is hedged and Valuation Currency | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | AUD | | CAD | | CHF | | DKK | | EUR | | GBP | | HKD | | JPY | | MXP | | NZD | | SEK | | SGD | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares Core S&P 500 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares Dow Jones Industrial Average UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Canada UCITS ETF | USD | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI EM Asia UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI EMU Small Cap UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Mexico Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI UK Small Cap UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI UK UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares MSCI USA UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares Nasdaq 100 Top 30 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares NASDAQ 100 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares Nikkei 225 UCITS ETF | JPY | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Russell 1000 Growth UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares Russell 1000 Value UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares S&P 500 3% Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares S&P 500 Top 20 UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |

## INVESTMENT OBJECTIVES AND POLICIES

The specific investment objectives and policies of each Fund will be formulated by the Directors at the time of the creation of the Fund. Each Fund is passively managed. Please refer to the investment policy of each Fund for more detailed information. Each Fund's Investments will be limited to investments permitted by the Regulations which are described in more detail in Schedule III and will, save in respect of its Investments in open-ended collective investment schemes, normally be listed or traded on Regulated Markets set out in Schedule I. Each Fund may use the techniques and instruments outlined in the section entitled "Investment Techniques" and so may invest in collective investment schemes and FDI as described in that section.

The Company has been authorised by the Central Bank with the flexibility to invest up to 100% of each Fund's assets in transferable securities and money market instruments issued by a Member State, its local authorities, a non-Member State, or public international bodies of which one or more Member States are members.

Each Fund's aggregate investment in other collective investment schemes is not permitted to exceed 10% of the relevant Fund's assets in accordance with the Regulations and Schedule III. The investment policies of the Current Funds do not permit the Funds to invest more than 10% of their assets in other collective investment schemes.

Each Fund's extent of securities lending may vary in accordance with demand and applicable tax regulations. Please see the section "Efficient Portfolio Management" for further details.

Any change to a Fund's investment objective and/or material change to the investment policy of a Fund will be subject to prior Shareholder approval. Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds. In the event of a change in the investment objective and/or investment policy of a Fund a reasonable notification period will be provided by the Company to enable Shares to be redeemed or sold prior to the implementation of the change.

The investment objective, investment policy and Benchmark Index description listed for a particular Fund applies to all Share Classes (as applicable) offered in that Fund.

# BENCHMARK INDICES

**General**

The capitalisation of the companies (for Equity Funds) or minimum amount of qualifying bonds (for Fixed Income Funds) to which a Fund is exposed or invested is defined by the provider of the Fund's Benchmark Index. The constituents of a Fund's Benchmark Index may change over time. Potential investors in a Fund may obtain a breakdown of the constituents held by the Fund from the official iShares website (www.ishares.com) or from the Investment Manager, subject to any applicable restrictions under the licence which the Investment Manager has in place with the relevant Benchmark Index providers.

There is no assurance that a Fund's Benchmark Index will continue to be calculated and published on the basis described in this Prospectus or that it will not be amended significantly. The past performance of each Benchmark Index is not a guide to future performance.

The Company works with the applicable benchmark administrators for the in-scope Benchmark Indices of the Funds to confirm that the benchmark indices are, or intend to be, included in the register maintained by ESMA under the Benchmarks Regulation.

The list of benchmark administrators that are included in the Benchmarks Regulation Register is available on ESMA's website at www.esma.europa.eu.

As at the date of this Prospectus, in-scope Benchmark Indices include non-significant benchmarks (as defined in the Benchmarks Regulation) and the following benchmark administrators of in-scope Benchmark Indices are included in the Benchmarks Regulation Register:

- MSCI Limited (in respect of the in-scope MSCI indices);
- Nikkei Inc (in respect of the in-scope Nikkei indices);
- STOXX Limited (in respect of the in-scope EURO STOXX indices); and
- S&P DJI Netherlands B.V. (in respect of the S&P 500 Net Zero 2050 Paris-Aligned Sustainability Screened Index) and S&P Dow Jones Indices LLC (in respect of the other in-scope S&P and Dow Jones indices).

As at the date of this Prospectus, the following benchmark administrators of in-scope Benchmark Indices are not included in the Benchmarks Regulation Register:

- Bloomberg Index Services Limited (in respect of the in-scope Bloomberg indices);
- FTSE International Limited (in respect of the in-scope FTSE indices);
- ICE Data Indices LLC (in respect of the in-scope ICE indices); and
- Nasdaq Inc. (in respect of the in-scope NASDAQ indices).

As at the date of this Prospectus, S&P Dow Jones Indices LLC does not have the S&P 500 3% Capped Index and the S&P 500 Top 20 Select 35/20 Capped Index listed in the Benchmarks Regulation Register.

The benchmark administrators of in-scope Benchmark Indices that are not included in the Benchmarks Regulation Register continue to provide in-scope Benchmark Indices on the basis of their current application with ESMA to be included in the Benchmarks Regulation Register, their application for which was made prior to the end of the transitional period provided under the Benchmarks Regulation which is due to end on 31 December 2025.

From 1 January 2026, only the following categories of benchmark indices will be subject to the Benchmarks Regulation (each as defined / outlined in the Benchmarks Regulation):

- Critical Benchmarks
- Significant Benchmarks
- EU Climate Transition Benchmarks
- EU Paris-Aligned Benchmarks
- certain commodity benchmarks

The Company will monitor the Benchmarks Regulation Register and, if there are any changes, this information as well as the removal of references to the benchmark administrators of non-significant benchmarks will be updated in the Prospectus at the next opportunity. The Company has in place and maintains robust written plans setting out the actions that it would take in the event that a benchmark is materially changed or ceases to be provided.

The Directors may, if they consider it in the interests of the Company or any Fund to do so and with the consent of the Depositary, substitute another index for the Benchmark Index if:

- the composition or the weightings of constituent securities of the Benchmark Index would cause the Fund (if it were to follow the Benchmark Index closely) to be in breach of the Regulations , Central Bank UCITS Regulations, other requirements of the Central Bank, local regulations or requirements of other jurisdictions and/or any tax law or tax regulations that the Directors may consider to have a material impact on the Company and / or any Fund;
- the particular Benchmark Index or index series ceases to exist;
- a new index becomes available which supersedes the existing Benchmark Index;
- a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to investors than the existing Benchmark Index;
- it becomes difficult to invest in securities comprised within the particular Benchmark Index;
- the Benchmark Index provider increases its charges to a level which the Directors consider too high;
- the quality (including accuracy and availability of data) of a particular Benchmark Index has, in the opinion of the Directors, deteriorated;
- a liquid futures market in which a particular Fund is investing ceases to be available; or
- an index becomes available which more accurately represents the likely tax treatment of the investing Fund in relation to the component securities in that index.

Where such a change would result in a material difference between the constituent securities of the Benchmark Index and the proposed Benchmark Index, Shareholder approval will be sought in advance. In circumstances where immediate action is required and it is not possible to obtain Shareholder approval in advance of a change in a Fund's Benchmark Index, Shareholder approval will be sought for either the change in the Benchmark Index or, if not so approved, the winding up of the Fund as soon as practicable and reasonable.

Any change of a Benchmark Index will be cleared in advance with the Central Bank, reflected in revised Prospectus documentation and will be noted in the annual and semi-annual reports of the relevant Fund issued after any such change takes place. In addition, any material change in the description of a Benchmark Index will be noted in the annual and semi-annual reports of the relevant Fund.

The Directors may change the name of a Fund, particularly if its Benchmark Index, or the name of its Benchmark Index, is changed. Any change to the name of a Fund will be approved in advance by the Central Bank and the relevant documentation pertaining to the relevant Fund will be updated to reflect the new name.

Any of the above changes may have an impact on the tax status of the Company and/or a Fund in a jurisdiction. Therefore, it is recommended that investors should consult their professional tax adviser to understand any tax implications of the change in their holdings in the jurisdiction in which they are resident.

# FUND DESCRIPTIONS

Each Fund may invest in FDI for direct investment purposes. For FDI, any ESG, SRI or other type of rating or analyses will apply only to the underlying securities. For details regarding investment in FDI please refer to the section headed "Investment Techniques".

Each Fund's Investments, other than its Investments in OTC FDI and open-ended collective investment schemes, will normally be listed or traded on the Regulated Markets set out in Schedule I.

The following are the investment objectives and policies for each of the Current Funds. Investors should note that the description of the Benchmark Index provided in relation to a Fund is subject to change.

The investment objective, investment policy and Benchmark Index description listed for a particular Fund applies to all Share Classes (as applicable) offered in that Fund.

Currency Hedged Share Classes, where offered in a Fund, aim to reduce the impact of exchange rate fluctuations between the underlying portfolio currency exposures of the Fund and the Valuation Currency of the Currency Hedged Share Class on returns of the relevant Benchmark Index to investors in that Share Class, through entering into foreign exchange contracts for currency hedging. Only Funds which track a Benchmark Index which does not incorporate a currency hedging methodology may launch Currency Hedged Share Classes.

Share Classes, including Currency Hedged Share Classes may have different valuation currencies from the Base Currency of their Funds.

***SFDR***

The following Funds have been categorised as Article 8 funds under the SFDR, i.e. funds that promote environmental and/or social characteristics provided that companies in which the investments are made follow good governance practices ("**Article 8 Funds**"): iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF.

Schedule VII sets out the pre-contractual disclosures required under the SFDR and the Taxonomy Regulation for the Article 8 Funds. The pre-contractual disclosures have been prepared based on information available from the index providers and other third-party data providers shortly prior to the date of this Prospectus.

A Fund other than the Article 8 Funds does not promote environmental and/or social characteristics and does not have sustainable investment as its objective, and therefore it has not been categorised as an Article 8 fund or an Article 9 fund under the SFDR.

While index providers of the Benchmark Indices of the Article 8 Funds provide descriptions of what each Benchmark Index is designed to achieve, index providers do not generally provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of their benchmark indices or in their index methodology documents, nor any guarantee that the published indices will be in line with their described benchmark index methodologies. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, in particular where the indices are less commonly used.

*In relation to the Funds that track an EU Climate Transition benchmark or an EU Paris-aligned benchmark:*

The following Funds seek to track the performance of a Benchmark Index which is labelled by the index provider as either an EU Climate Transition benchmark or an EU Paris-aligned benchmark (within the meaning of the Benchmarks Regulation): iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF. Where an index provider has labelled the Benchmark Index as either an EU Climate Transition benchmark or an EU Paris-aligned benchmark, the methodology of the Benchmark Index has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation in respect of the criteria for the selection, weighting and, where applicable, exclusion of the underlying assets, based on the climate commitments laid down in the Paris Agreement.

*EU Paris-aligned benchmark exclusions*

For funds using environmental-, impact- or sustainability-related terms in their name (including "ESG"), other than as described in 'EU Climate Transition Benchmark Exclusions' below, the Benchmark Index will also apply exclusions consistent with the outcomes of EU Paris-aligned Benchmark Exclusions.

The EU Paris-aligned Benchmark Exclusions prohibit investments in companies that are involved in any activities related to controversial weapons; are involved in the cultivation and production of tobacco; have violated the United Nations Global Compact (UNGC) principles or the Organisation for Economic Cooperation and Development's (OECD) Guidelines for Multinational Enterprises; or derive more than a set percentage of revenues from electricity generation (that produces GHG emissions above a set GHG intensity threshold), coal, oil or gas.

For funds using environmental-, impact- or sustainability-related terms in their name, the Benchmark Index may hold Green, Social and Sustainability (GSS) bonds issued by a company, which are intended to raise proceeds specifically for projects that promote positive environmental and/or social contributions and aimed at mitigating adverse sustainability impacts, such as investment in renewable energy or energy efficiency, based on information available in the bond's issuance documentation. will, instead of being subject to all the EU Paris-aligned Benchmark Exclusions at issuer level, be subject to:

- the EU Paris-aligned Benchmark Exclusions relating to UNGC and OECD violations at the issuer level; and
- the other EU Paris-aligned Benchmark Exclusions described above at the level of the economic activities financed by the GSS bond.

*EU Climate Transition benchmark exclusions*

For funds using only transition-, social- or governance-related terms in their name, or where the name combines transition-related and environmental- or impact-related terms, the Benchmark Index will also apply exclusions consistent with the outcomes of the EU Climate Transition Benchmark Exclusions.

The EU Climate Transition Benchmark Exclusions prohibit investments in companies that are involved in any activities related to controversial weapons; are involved in the cultivation and production of tobacco; or have violated the UNGC principles or the OECD Guidelines for Multinational Enterprises.

*Consideration of principal adverse impacts on sustainability factors ("**PAIs**")*

*All Funds except for the Article 8 Funds:*

The Investment Manager has access to a range of data sources, including PAI data, when managing fund portfolios. However, whilst the Manager is responsible for considering the aggregate PAI data relating to the portfolios of all funds under its management, the Funds do not commit to considering PAIs in the selection of their investments.

*Article 8 Funds:*

The pre-contractual disclosures in Schedule VII set out the PAIs considered for each Fund.

*Sustainability Risk*

*All Funds except for the Article 8 Funds:*

Each Fund tracks a Benchmark Index and is managed with a focus on minimising its performance tracking error versus the Benchmark Index. The Investment Manager has considered the sustainability risk of the Funds when carrying out due diligence on the Benchmark Index as part of the index selection for the Funds. As each Fund is managed to track its Benchmark Index, the sustainability risk of the Funds will not influence individual security selection unless specifically incorporated into the methodology of the Benchmark Index by the index provider. As each Fund is passively managed, management of the portfolio does not include any separate integration of sustainability risks into the investment process. However, given the investment strategy of the Funds and the Funds' risk profile, the impact of sustainability risk on the Funds' returns is considered to be not material.

For further information on how ESG integration is incorporated into the investment process, please see the "ESG Integration" section of the Prospectus.

*Article 8 Funds:*

Each Fund tracks a Benchmark Index and is managed with a focus on minimising its performance tracking error versus the Benchmark Index (which includes the consideration of ESG criteria as part of the index methodology). The Investment Manager has considered the sustainability risk of the Funds when carrying out due diligence on the Benchmark Index as part of the index selection for the Funds. As each Fund is managed to track its Benchmark Index, the sustainability risk of the Funds will only influence individual security selection where ESG criteria are incorporated into the methodology of the Benchmark Index by the index provider. As each Fund is passively managed, management of the portfolio does not include any separate integration of sustainability risks into the investment process. However, given the investment strategy of the Funds and the Funds' risk profile, the impact of sustainability risk on the Funds' returns is considered to be not material.

For further information on how ESG integration is incorporated into the investment process, please see the "ESG Integration" section of the Prospectus.

**For further explanation of sustainability risk, please see the Risk Factors.**

***Taxonomy Regulation***

*All Funds except for Article 8 Funds:*

The investments underlying these Funds do not take into account the EU criteria for environmentally sustainable economic activities.

***iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the ICE U.S. Treasury 1-3 Year Bond Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the ICE U.S. Treasury 1-3 Year Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profiles) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B is US Dollar (US$).

*Benchmark Index*
The ICE U.S. Treasury 1-3 Year Bond Index measures the performance of US Dollar denominated fixed rate US Treasury bonds that have a remaining maturity of between one and three years. The Benchmark Index includes investment grade bonds issued by the US Treasury that have a minimum amount outstanding of $300 million. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.interactivedata.com/products-services/ice-indices/idcot1/

***iShares $ Treasury Bond 3-7yr UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the ICE U.S. Treasury 3-7 Year Bond Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the ICE U.S. Treasury 3-7 Year Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares $ Treasury Bond 3-7yr UCITS ETF is US Dollar (US$).

*Benchmark Index*
The ICE U.S. Treasury 3-7 Year Bond Index measures the performance of US Dollar denominated fixed rate US Treasury bonds that have a remaining maturity of between three and seven years. The Benchmark Index includes investment grade bonds issued by the US Treasury that have a minimum amount outstanding of $300 million. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.interactivedata.com/products-services/ice-indices/idcot3

***iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc)***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the ICE U.S. Treasury 7-10 Year Bond Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the ICE U.S. Treasury 7-10 Year Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profiles) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) is US Dollar (US$).

*Benchmark Index*
The ICE U.S. Treasury 7-10 Year Bond Index measures the performance of US Dollar denominated fixed rate US Treasury bonds that have a remaining maturity of between seven and ten years. The Benchmark Index includes investment grade bonds issued by the US Treasury that have a minimum amount outstanding of $300 million. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.interactivedata.com/products-services/ice-indices/idcot7

***iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc)***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the Bloomberg Euro Government Bond 1-3 Year Term Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the Bloomberg Euro Government Bond 1-3 Year Term Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profiles) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) is Euro (€).

*Benchmark Index*
The Bloomberg Euro Government Bond 1-3 Year Term Index measures the performance of Euro denominated fixed rate government bonds that have recently been issued and have a remaining maturity of between one and three years. The Benchmark Index includes investment grade bonds issued by certain EMU member states that have a minimum amount outstanding of €2 billion. The Benchmark Index rebalances on a monthly basis and eligible bonds must have original term of between 1.25 and 3.25 years and have a calculated life of 1.25 years or more on the rebalancing date. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/.

***iShares € Govt Bond 3-7yr UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the Bloomberg Euro Government Bond 3-7 Year Term Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the Bloomberg Euro Government Bond 3-7 Year Term Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profiles) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares € Govt Bond 3-7yr UCITS ETF is Euro (€).

*Benchmark Index*
The Bloomberg Euro Government Bond 3-7 Year Term Index measures the performance of Euro denominated fixed rate government bonds that have recently been issued and have a remaining maturity of between three and seven years. The Benchmark Index includes investment grade bonds issued by certain EMU member states that have a minimum amount outstanding of €2 billion. The Benchmark Index rebalances on a monthly basis and eligible bonds must have original term of between 4.5 and 11 years and have a calculated time to maturity greater than or equal to 3 and less than 7 years on the rebalancing date. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/.

***iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc)***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the Bloomberg Euro Government Bond 10 Year Term Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the Bloomberg Euro Government Bond 10 Year Term Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profiles) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) is Euro (€).

*Benchmark Index*
The Bloomberg Euro Government Bond 10 Year Term Index measures the performance of Euro denominated fixed rate government bonds that have recently been issued and have a remaining maturity of between seven and ten years. The Benchmark Index includes investment grade bonds issued by certain EMU member states that have a minimum amount outstanding of €2 billion. The Benchmark Index rebalances on a monthly basis and eligible bonds must have original term of between 9.75 and 11 years and have a calculated life of 7 years or more on the rebalancing date. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/.

***iShares Core EURO STOXX 50 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the EURO STOXX 50 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of EURO STOXX 50 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core EURO STOXX 50 UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX 50 Index measures the performance of 50 European company stocks with the objective of reflecting the market sector leaders in the Eurozone. Stocks are selected from the largest companies of the EURO STOXX Index that meet specific criteria according to the Benchmark Index methodology. The Benchmark Index is weighted by free-float market capitalisation, and each component's weight is capped at 10% maximum. The Benchmark Index rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://stoxx.com/all-indices/.

***iShares Core FTSE 100 UCITS ETF GBP (Acc)***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the FTSE 100 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the FTSE 100 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core FTSE 100 UCITS ETF GBP (Acc) is Sterling (Stg£).

*Benchmark Index*
The FTSE 100 Index measures the performance of the 100 largest capitalisation UK listed stocks, which pass screening for size, liquidity and free-float criteria. The Benchmark Index is free float market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftserussell.com/Index.

***iShares Core MSCI EMU UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI EMU Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI EMU Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core MSCI EMU UCITS ETF is Euro (€).

*Benchmark Index*
The MSCI EMU Index measures the performance of large and mid capitalisation stocks across developed markets countries in the European Economic and Monetary Union (EMU) which comply with MSCI's size, liquidity, and free-float criteria. The list of eligible countries may be subject to change over time. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares Core MSCI Pacific ex-Japan UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI Pacific ex Japan Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Pacific ex Japan Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core MSCI Pacific ex-Japan UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Pacific ex Japan Index measures the performance of large and mid capitalisation stocks across developed markets countries in the Pacific region, excluding Japan, which comply with MSCI's size, liquidity and free-float criteria.

The list of eligible countries may be subject to change over time. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares Core S&P 500 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the S&P 500 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the S&P 500 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core S&P 500 UCITS ETF is US Dollar (US$).

*Benchmark Index*
The S&P 500 Index measures the performance of 500 stocks from top US companies in leading industries of the US economy which comply with S&P's size, liquidity and free float criteria. The Benchmark Index is free float market capitalisation weighted and rebalances on an as-needed basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.spglobal.com/spdji/en/supplemental-data/europe/.

***iShares Dow Jones Industrial Average UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the Dow Jones Industrial Average Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Dow Jones Industrial Average Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Dow Jones Industrial Average UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Dow Jones Industrial Average Index measures the equity performance of 30 large and well-known US companies on a price-weighted basis. The Benchmark Index covers all industries with the exception of Transportation and Utilities and is maintained by the Averages Committee. Index constituents are selected by the Averages Committee and stocks are typically added only if the company has an excellent reputation, demonstrates sustained growth and is of interest to a large number of investors. Constituents are added and deleted from the Benchmark Index on an as-needed basis, with changes typically occurring following corporate acquisitions or other significant changes in a component company's business. When one constituent is replaced, all of them are reviewed. The Benchmark Index is price weighted meaning that its constituent weightings are affected only by changes in the stocks' prices. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.spglobal.com/spdji/en/supplemental-data/europe/.

***iShares FTSE Italia Mid-Small Cap UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE Italia PIR Mid Small Cap Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that so far as possible and practicable consists of the component securities of the FTSE Italia PIR Mid Small Cap Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by

holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares FTSE Italia Mid-Small Cap UCITS ETF is Euro (€).

**Important note for investors in Italy in relation to the "Piani Individuali di Risparmio" (PIR) regime:**
It is intended that, by investing in the constituents of the Benchmark Index, the Fund is expected to meet the investment restriction requirements of the PIR regime pursuant to which:

1. *The Fund must invest at least 70% of the total assets in financial instruments of an equity nature issued by companies incorporated and resident in the territory of the Italian State, or in EU or EEA member states with a permanent organisation in the territory of the Italian State. The aforementioned 70% stake is invested (i) for at least 25%, corresponding to 17.5% of the total value of the Fund, in financial instruments, including FDI, issued by companies other than those included in the FTSE MIB index of Borsa Italiana or in equivalent indices of other regulated markets; and (ii) for at least additional 5%, corresponding to 3.5% of the total investments, in financial instruments issued by companies not included in the FTSE MIB Index or the FTSE Mid Cap of Borsa Italia or in equivalent indices of other regulated markets.*
2. *The Fund may not invest more than 10% of the total assets in financial instruments of the same issuer or entered into with the same counterparty or with another company belonging to the same group as the issuer or counterparty.*
3. *The Fund may not invest more than 10% of the total assets in deposits.*
4. *The Fund may not invest in financial instruments issued or stipulated with persons resident in states or territories other than those that allow an adequate exchange of information with Italy*.
5. *The Fund may not invest in any financial instruments, including FDI, issued by non-Italian companies domiciled in blacklisted jurisdictions as identified by the Italian tax Agency (Agenzia delle Entrate).*
6. *These investment restriction limits, except for items 4 and 5 mentioned above, will be observed during at least two thirds of each calendar year*.

*Benchmark Index*
The FTSE Italia PIR Mid Small Cap Index measures the performance of equity securities of small and mid-capitalisation companies listed on the Borsa Italiana, and is constructed with the intention to comply with the Italian "Piani Individuali di Risparmio" (PIR) regime. The Benchmark Index is derived from the FTSE Italia Small Cap Index and the FTSE Italia Mid Cap Index ("The Parent Indices") which together measure the performance of equity securities of mid-capitalisation and small capitalisation companies listed on Borsa Italiana that are (i) either incorporated in Italy or incorporated outside of Italy that are exclusively listed on Borsa Italiana and (ii) meet the index provider's liquidity and free float criteria. The Benchmark Index includes all constituents of the Parent Indices excluding companies incorporated outside of Italy. The Benchmark Index is free float-adjusted market capitalisation weighted with a cap of 10% for each issuer that is applied on a quarterly basis.

The Benchmark Index rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftserussell.com/Index.

***iShares FTSE MIB UCITS ETF EUR (Acc)***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the FTSE MIB Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the FTSE MIB Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares FTSE MIB UCITS ETF EUR (Acc) is Euro (€).

*Benchmark Index*
The FTSE MIB Index measures the performance of 40 of the most liquid and capitalised Italian stocks which comply with FTSE's liquidity and free-float criteria. Benchmark Index components are selected by the FTSE Italia Index Policy Committee with the objective to replicate broad sector weights of the Italian stock market. The Benchmark Index is market capitalisation weighted with each constituent capped at a maximum of 15%. The Benchmark Index rebalances on the quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftserussell.com/Index.

***iShares MSCI Canada UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI Canada Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Canada Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Canada UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Canada Index measures the performance of large and mid capitalisation stocks of the Canadian equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI EM Asia UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the performance of the Benchmark Index (being the MSCI EM Asia Index Net USD), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve its investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI EM Asia Index Net USD, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI EM Asia UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI EM Asia Index Net USD measures the performance of large and mid capitalisation stocks of certain emerging markets countries in Asia which comply with MSCI's size, liquidity, and free-float criteria. The list of eligible countries may be subject to change over time. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The Fund may trade China A Shares via Stock Connect. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI EMU CHF Hedged UCITS ETF (Acc)***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI EMU 100% Hedged to CHF Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve its investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI EMU and foreign exchange forward contracts that, as far as possible and practicable, track the hedging methodology of the MSCI EMU 100% Hedged to CHF Index, this Fund's Benchmark Index. The hedging methodology consists of entering into foreign exchange forward contracts in order to hedge the underlying foreign currency exposure arising as a result of the difference between the Base Currency and the currencies of the constituent securities in the Benchmark Index. Hedging is carried out under a single currency hedging programme for the life of the Fund which is implemented

using rolling one-month forward contracts. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III of the Prospectus).**

The Base Currency iShares MSCI EMU CHF Hedged UCITS ETF (Acc) is Swiss Francs (CHF).

*Benchmark Index*
The MSCI EMU 100% Hedged to CHF Index measures the performance of the MSCI EMU Index with currency exposures hedged to Swiss Francs using one-month currency forwards according to the MSCI methodology. The Benchmark Index contains both equity securities and foreign currency hedging components. The MSCI EMU Index measures the performance of large and mid capitalisation stocks across developed markets countries in the European Economic and Monetary Union (EMU) which comply with MSCI's size, liquidity, and free-float criteria. The list of eligible countries may be subject to change over time. The Benchmark Index incorporates a monthly hedge, using a one month forward FX contract to reduce currency exposure. The foreign currency hedging component comprises rolling one-month forward contracts that are reset at the end of each month and hedge the non-Swiss Francs currency in the Benchmark Index back to the Fund's Base Currency (Swiss Francs). No adjustment is made to the hedge during the month to account for price movements of constituent securities of the Benchmark Index, corporate events affecting such securities, additions, deletions or any other changes to the Benchmark Index. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI EMU Paris-Aligned Climate UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI EMU Climate Paris Aligned Benchmark Select PAB Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI EMU Climate Paris Aligned Benchmark Select PAB Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III of the Prospectus).**

It is intended that the Fund's direct investments will, at the time of purchase, comply with the ESG requirements and/or ESG ratings of the Fund's Benchmark Index. The Fund may continue to hold securities which no longer comply with the ESG requirements and/or ESG ratings of the Fund's Benchmark Index until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

For the purposes of complying with AMF ESG Rules, the Fund will adopt a best-in-class approach to sustainable investing. The best-in-class approach means that by investing in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index, it is expected that the Fund will invest in the best issuers from an ESG perspective (based on the ESG criteria of the Benchmark Index) within each relevant sector of activities covered by the Benchmark Index. More than 90% of the net assets of the Fund, excluding Cash Holdings and daily dealing money market collective investment schemes, are rated or analysed in accordance with the ESG criteria of the Benchmark Index. For FDI, any such analyses will apply only to the underlying securities. By adopting the ESG methodology of the Benchmark Index, the Fund applies the extra-financial indicator upgrade approach for the purposes of the AMF ESG Rules, which means that the weighted average environmental indicator of the Fund (being the relevant extra-financial indicator of the Fund) will be 20% better than the weighted average environmental indicator of the Parent Index (as defined below) based on a reduction of carbon emission intensity.

The Base Currency of iShares MSCI EMU Paris-Aligned Climate UCITS ETF is Euro (€).

*Benchmark Index*
The MSCI EMU Climate Paris Aligned Benchmark Select PAB Index aims to reflect the performance of a sub-set of equity securities of companies within the MSCI EMU Index (the "**Parent Index**") which are selected and weighted in accordance with the Benchmark Index methodology to reduce exposure to transition and physical climate risks,

pursue opportunities arising from the transition to a lower-carbon economy whilst seeking to align with the Paris Agreement requirements.

The Parent Index measures the performance of large and mid capitalisation stocks across developed market countries in the European Economic and Monetary Union (EMU) which comply with MSCI's size, liquidity, and free-float criteria.

The Benchmark Index aims to exceed the minimum standards for EU Paris-Aligned benchmarks set out in the Commission Delegated Regulation (EU) 2020/1818 for the methodology of benchmark indices that would be aligned with the objectives of the Paris Agreement.

The Benchmark Index excludes issuers that are involved in the following business lines/activities (or related activities): controversial weapons, conventional weapons, tobacco, thermal coal mining, power generation (relating to thermal coal-based power generation, liquid fuel-based power generation and natural gas based power generation), oil and gas, nuclear weapons, civilian firearms and oil sands. The index provider defines what constitutes "involvement" in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes companies which are identified by the index provider as being involved in controversies that have a negative ESG impact on their operations and/or products and services based on an MSCI ESG controversy score ("**MSCI ESG Controversy Score**"). Companies which are identified by the index provider as having faced controversies pertaining to environmental issues are excluded from the Benchmark Index based on an MSCI environmental controversy score ("**MSCI Environmental Controversy Score**"). The minimum MSCI ESG Controversy Score and the minimum MSCI Environmental Controversy Score set by the index provider to determine eligibility for inclusion in the Benchmark Index can be found at the index provider's website https://www.msci.com/indexes/ishares.

The remaining constituents are then selected and weighted for inclusion in the Benchmark Index to reduce exposure to transition and physical climate risks, pursue opportunities arising from transition to a lower-carbon economy while seeking to align with the objectives of the Paris Agreement and minimising ex-ante tracking error relative to the Parent Index, by:

- reducing the weighted average greenhouse gas (GHG) emissions relative to the Parent Index;
- reducing the weighted average GHG emissions by a minimum annual rate relative to the GHG emissions at the Benchmark Index inception date;
- reducing the weighted average potential GHG emissions relative to the Parent Index;
- increasing exposure to companies with credible carbon reduction targets;
- targeting exposure to sectors with a high impact on climate change at least equivalent to the Parent Index to align with the objectives of the Paris Agreement to include exposure to sectors that should actively reduce GHG emissions;
- increasing the overall low carbon transition (LCT) score compared with the Parent Index (i.e., lower overall exposure to companies facing risks from LCT and / or higher overall exposure to companies which may have opportunities from LCT), as determined by the index provider;
- maintaining a minimum green-to-brown revenue ratio compared with the Parent Index;
- increasing green revenue compared with the Parent Index; and
- applying constituent-level liquidity and diversification caps.

according to the thresholds for such constraints determined by the index provider in the index methodology.

The Benchmark Index also seeks to allocate a proportion of the Benchmark Index to companies that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

In addition, companies which have been identified as having a 'red' MSCI ESG controversy flag may also be removed from the Benchmark Index in between index rebalances in accordance with the index methodology.

The Benchmark Index rebalances on a semi-annual basis to take into account changes to the Parent Index in addition to applying the exclusionary and other criteria described above. In addition, companies which have been identified as having a 'red' MSCI ESG controversy flag, or which have been classified as violating United Nations Global Compact principles, may also be removed from the Benchmark Index in between index rebalances, in accordance with the index methodology. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI EMU Small Cap UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the MSCI EMU

Small Cap Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the MSCI EMU Small Cap Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI EMU Small Cap UCITS ETF is Euro (€).

*Benchmark Index*
The MSCI EMU Small Cap Index measures the performance of small capitalisation stocks across developed markets countries in the European Economic and Monetary Union (EMU) which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI EMU USD Hedged UCITS ETF (Acc)***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI EMU 100% Hedged to USD Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve its investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI EMU and foreign exchange forward contracts that, as far as possible and practicable, track the hedging methodology of the MSCI EMU 100% Hedged to USD Index, this Fund's Benchmark Index. The hedging methodology consists of entering into foreign exchange forward contracts in order to hedge the underlying foreign currency exposure arising as a result of the difference between the Base Currency and the currencies of the constituent securities in the Benchmark Index. Hedging is carried out under a single currency hedging programme for the life of the Fund which is implemented using rolling one-month forward contracts. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III of the Prospectus).**

The Base Currency iShares MSCI EMU USD Hedged UCITS ETF (Acc) is US Dollar (US$).

*Benchmark Index*
The MSCI EMU 100% Hedged to USD Index measures the performance of the MSCI EMU with currency exposures hedged to US Dollar using one-month currency forwards according to the MSCI methodology. The Benchmark Index contains both equity securities and foreign currency hedging components. The MSCI EMU measures the performance of large and mid capitalisation stocks across developed markets countries in the European Economic and Monetary Union (EMU) which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index incorporates a monthly hedge, using a one month forward FX contract to reduce currency exposure. The foreign currency hedging component comprises rolling one-month forward contracts that are reset at the end of each month and hedge the non-US Dollar currency in the Benchmark Index back to the Fund's Base Currency (US Dollar). No adjustment is made to the hedge during the month to account for price movements of constituent securities of the Benchmark Index, corporate events affecting such securities, additions, deletions or any other changes to the Benchmark Index. The Benchmark Index is free float-adjusted market capitalisation weighted and rebalances on a semi-annual basis. The Benchmark Index also undergoes quarterly reviews. These quarterly reviews may involve limited rebalancing, consisting of the addition and/or removal of constituents from the Benchmark Index but not amounting to a full reconstitution of the Benchmark Index. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI Japan UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI Japan Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Japan Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Japan UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Japan Index measures the performance of large and mid capitalisation stocks of the Japanese equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI Korea UCITS ETF USD (Acc)***

*Investment Objective*
The investment objective of the Fund is to deliver the performance of the Benchmark Index (being the MSCI Korea 20/35 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of MSCI Korea 20/35 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Korea UCITS ETF USD (Acc) is US Dollar (US$).

*Benchmark Index*
The MSCI Korea 20/35 Index measures the performance of large and mid capitalisation stocks of the South Korean equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The weight of the largest group entity in the Benchmark Index is capped at 35% and the weights of all other group entities are capped at 20% with a buffer of 10% applied on these limits at each Benchmark Index rebalancing. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI Mexico Capped UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the performance of the Benchmark Index (being the MSCI Mexico Capped Index Net USD), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Mexico Capped Index Net USD, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when**

**exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Mexico Capped UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Mexico Capped Index Net USD measures the performance of large and mid capitalisation stocks of the Mexican equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The Benchmark Index also caps the weight of the largest companies at each rebalance to help ensure index diversification. The weight of the largest group entity in the Benchmark Index is capped at 30% and the weights of the remaining group entities are capped at 20%. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI UK Small Cap UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the MSCI UK Small Cap Index), less the fees and expenses of the Fund

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the MSCI UK Small Cap Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI UK Small Cap UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The MSCI UK Small Cap Index measures the performance of small capitalisation stocks of the UK equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI UK UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI UK Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI UK Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI UK UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The MSCI UK Index measures the performance of large and mid capitalisation stocks of the UK equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to replicate the performance of the Benchmark Index (being the MSCI USA Small Cap ESG Enhanced CTB Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the MSCI USA Small Cap ESG Enhanced CTB Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

It is intended that the Fund's direct investments will, at the time of purchase, comply with the environmental, social and governance ("**ESG**") requirements of the Fund's Benchmark Index. The Fund may continue to hold securities which no longer comply with the ESG requirements of the Fund's Benchmark Index until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

For the purposes of complying with AMF ESG Rules, the Fund will adopt a binding and significant ESG optimisation approach to sustainable investing. As part of this approach, the Fund will aim to invest in a portfolio of securities that, as far as possible and practicable, consists of the component securities of the Benchmark Index, and optimises exposure to issuers in order to achieve a higher ESG rating and reduces exposure to carbon emissions compared to the Parent Index while meeting other constraints of the ESG optimisation. More than 90% of the net assets of the Fund, excluding Cash Holdings and daily dealing money market collective investment schemes, are rated or analysed in accordance with the ESG criteria of the Benchmark Index. For FDI, any such analyses will apply only to the underlying securities. By adopting the ESG methodology of the Benchmark Index, the Fund applies the extra-financial indicator upgrade approach for the purposes of the AMF ESG Rules, which means that the weighted average environmental indicator of the Fund (being the relevant extra-financial indicator of the Fund) will be at least 20% better than the weighted average environmental indicator of the Parent Index (as defined below) based on a reduction of carbon emission intensity.

The Base Currency of iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI USA Small Cap ESG Enhanced CTB Index measures the performance of a sub-set of equity securities of companies within the MSCI USA Small Cap Index (the "**Parent Index**") which excludes issuers from the Parent Index based on the index provider's ESG exclusionary criteria. The remaining constituents of the Parent Index are then weighted by the index provider, for inclusion in the Benchmark Index, using an optimisation process. The optimisation process aims to meet the decarbonisation targets and other minimum standards for an EU Climate Transition Benchmark ("CTB"), while targeting a similar risk and return profile, and maintaining a better ESG score, each in relation to the Parent Index.

The Parent Index measures the performance of small capitalisation stocks of the US equity market which comply with MSCI's size, liquidity, and free-float criteria.

The Benchmark Index excludes issuers that are involved in the following business lines/activities (or related activities):

- controversial weapons;
- nuclear weapons;
- production of civilian firearms (relating to automatic and semi-automatic civilian firearms and small arms ammunition);
- distribution of civilian firearms or small arms ammunition;
- tobacco;
- thermal coal; and
- unconventional oil and gas.

The index provider defines what constitutes "involvement" in each restricted activity, this may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received. Issuers that are classified as violating United Nations Global Compact principles (which are widely accepted corporate sustainability principles that meet fundamental responsibilities in areas such as anti-corruption, human rights, labour and environment) are also excluded.

The Benchmark Index also excludes companies which are identified by the index provider as being involved in controversies that have a negative ESG impact on their operations and/or products and services based on an MSCI ESG controversy score ("**MSCI ESG Controversy Score**"). Companies which are identified by the index provider as having faced controversies pertaining to environmental issues are excluded from the Benchmark Index based on an MSCI environmental controversy score ("**MSCI Environmental Controversy Score**"). The minimum MSCI ESG Controversy Score and the minimum MSCI Environmental Controversy Score set by the index provider to determine

eligibility for inclusion in the Benchmark Index can be found at the index provider's website https://www.msci.com/indexes/ishares.

The MSCI ESG ratings take into account numerous metrics that capture key ESG related issues. An MSCI ESG rating is designed to measure an issuer's resilience to long-term, industry material ESG risks and how well it manages those ESG risks relative to industry peers. The MSCI ESG rating methodology provides greater transparency and understanding of the ESG characteristics of issuers, identifying issuers with a strong MSCI ESG ratings as issuers that may be better positioned for future ESG-related challenges and that may experience fewer ESG-related controversies. Further details are available on the index provider's website at https://www.msci.com/esg-ratings. Issuers that have not been assessed by the index provider for an MSCI ESG Controversies Score, or an MSCI ESG rating, are also excluded from the Benchmark Index.

The remaining constituents are then weighted by the index provider in the Benchmark Index using the optimisation process outlined in the first paragraph of this section. In seeking to meet the minimum standards of a CTB, the optimisation process applied by the index provider has the following transition and physical climate risk targets:

- a reduction of weighted average greenhouse gas (GHG) intensity compared with the Parent Index;
- a minimum decarbonisation rate of GHG intensity reduction per year;
- an exposure to sectors with a high impact on climate change that is at least equivalent to the Parent Index;
- a better ESG score than the Parent Index;

according to the thresholds for such constraints determined by the index provider in the index methodology.

The optimisation process also applies certain risk diversification constraints to the constituents of the Benchmark Index, for example minimum and maximum constituent weightings and sector weightings relative to the Parent Index. Turnover of the Benchmark Index is also controlled by the optimisation process at each Benchmark Index review.

The Benchmark Index also seeks to allocate a proportion of the Benchmark Index to companies that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The Benchmark Index has been labelled by the index provider as an EU Climate Transition Benchmark and does not aim to meet the minimum standards for EU Paris-Aligned Benchmarks (as set out in the Commission Delegated Regulation (EU) 2020/1818). Both EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks are subject to minimum standards that are based on the commitments laid down in the Paris Agreement. While EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks pursue similar objectives and minimum standards that are common to both benchmarks, they vary in their level of ambition. As such, the Benchmark Index does not incorporate any thresholds or exclusionary criteria to meet any minimum standards applicable only to EU Paris-Aligned benchmarks.

The Benchmark Index rebalances on a quarterly basis. In addition, companies which have been identified as having a 'red' MSCI ESG controversy flag, or which have been classified as violating United Nations Global Compact principles, or that are involved in activities related to controversial weapons or tobacco production, may also be removed from the Benchmark Index in between index rebalances, in accordance with the index methodology. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares MSCI USA UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the MSCI USA Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI USA Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI USA UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI USA Index measures the performance of large and mid capitalisation stocks of the US equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/indexes/ishares and https://www.msci.com/constituents.

***iShares Nasdaq 100 ex-Top 30 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Nasdaq-100 ex Top 30 UCITS™ Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Nasdaq-100 ex Top 30 UCITS™ Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Nasdaq 100 ex-Top 30 UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Nasdaq-100 ex Top 30 UCITS™ Index measures the performance of the 70 smallest companies in the Nasdaq-100 Index ® based on their weighted market capitalisation.

The Nasdaq-100 Index® (the "Parent Index") measures the performance of 100 of the largest US and international non-financial stocks listed on the Nasdaq Stock Market which comply with size and liquidity criteria. The Parent Index includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. The Parent Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain stocks of financial companies including investment companies. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://indexes.nasdaqomx.com/Index/Overview/NDX70U and https://www.nasdaq.com/solutions/nasdaq-global-index-policies.

The Benchmark Index is market capitalisation weighted according to the corresponding weight in the Parent Index. The 70 smallest weighted companies in the Parent Index will be selected for inclusion in the Benchmark Index, subject to the issuer capping constraints of the Benchmark Index. The Benchmark Index rebalances on a quarterly basis. Constituents removed from the Parent Index are removed from the Benchmark Index simultaneously. Securities removed at any time during the year other than during the rebalances are not replaced.

***iShares Nasdaq 100 Top 30 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Nasdaq-100 Top 30 UCITS™ Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Nasdaq-100 Top 30 UCITS™ Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Nasdaq 100 Top 30 UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Nasdaq-100 Top 30 UCITS™ Index measures the performance of the 30 largest companies in the Nasdaq-100 Index® based on their weighted market capitalisation.

The Nasdaq-100 Index® (the "Parent Index") measures the performance of 100 of the largest US and international non-financial stocks listed on the Nasdaq Stock Market which comply with size and liquidity criteria. The Parent Index includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. The Parent Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain stocks of financial companies including investment companies. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://indexes.nasdaqomx.com/Index/Overview/NDX30U and https://www.nasdaq.com/solutions/nasdaq-global-index-policies.

The Benchmark Index is market capitalisation weighted according to the corresponding weight in the Parent Index. The 30 largest weighted companies in the Parent Index will be selected for inclusion in the Benchmark Index, subject to the issuer capping constraints of the Benchmark Index. The Benchmark Index rebalances on a quarterly basis. Constituents removed from the Parent Index are removed from the Benchmark Index simultaneously. Securities removed at any time during the year other than during the rebalance are not replaced.

***iShares NASDAQ 100 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the NASDAQ 100 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the NASDAQ 100 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares NASDAQ 100 UCITS ETF is US Dollar (US$).

*Benchmark Index*
The NASDAQ 100 Index measures the performance of 100 of the largest US and international non-financial stocks listed on the NASDAQ Stock Market which comply with size and liquidity criteria. The Benchmark Index includes 100 of the largest domestic and international non-financial companies listed on the Nasdaq Stock Market based on market capitalization. The Benchmark Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain stocks of financial companies including investment companies. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.nasdaq.com/solutions/nasdaq-global-index-policies.

***iShares Nikkei 225 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to deliver the net total return performance of the Benchmark Index (being the Nikkei 225 Index), less the fees and expenses of the Fund.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Nikkei 225 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Nikkei 225 UCITS ETF is Japanese Yen (¥).

*Benchmark Index*
The Nikkei 225 Index measures the performance of 225 stocks listed on the First Section of the Tokyo Stock Exchange. The Benchmark Index is price-weighted and constituents are selected based on liquidity screening and sector representation. The Benchmark Index rebalances on a semi-annual basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://indexes.nikkei.co.jp/en/nkave/index.

***iShares Russell 1000 Growth UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Russell 1000 Growth UCITS 30/18 Capped Net Tax 15% Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Russell 1000 Growth UCITS 30/18 Capped Net Tax 15% Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**
The Base Currency of iShares Russell 1000 Growth UCITS ETF is US Dollar (US$).
*Benchmark Index*
The Russell 1000 Growth UCITS 30/18 Capped Net Tax 15% Index aims to measure the performance of the constituent securities of the Russell 1000 Index which exhibit higher growth characteristics.

The Russell 1000 Index measures the performance of the large and mid capitalisation segment of the US equity market and is market capitalisation weighted.

The Benchmark Index constituents are selected from the Russell 1000 Index and are weighted on the basis of exhibiting higher growth characteristics relative to all constituents in the Russell 1000 Index, namely higher price-to-book ratios (i.e. the value of shareholder equity on the balance sheet of a company relative to the price of a company's share), higher forecasts for medium term growth and higher historical growth of sales per share. The constituents are ranked by reference to these three variables which are combined to produce a composite value score ("**CVS**"). In general, constituents with a lower CVS are considered to have higher growth characteristics.

The Benchmark Index rebalances on an annual basis. The weight of the largest issuer in the Benchmark Index is capped at 30% and the weights of all other issuers are capped at 18% at each Benchmark Index rebalancing. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftserussell.com/Index.

***iShares Russell 1000 Value UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Russell 1000 Value UCITS 30/18 Capped Net Tax 15% Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Russell 1000 Value UCITS 30/18 Capped Net Tax 15% Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

*Benchmark Index*
The Russell 1000 Value UCITS 30/18 Capped Net Tax 15% Index aims to measure the performance of the constituent securities of the Russell 1000 Index which exhibit higher value characteristics.

The Russell 1000 Index measures the performance of the large and mid capitalisation segment of the US equity market and is market capitalisation weighted.

The Benchmark Index constituents are selected from the Russell 1000 Index and are weighted on the basis of exhibiting lower growth characteristics, and therefore higher value characteristics, relative to all constituents in the Russell 1000 Index, namely lower price-to-book ratios (i.e. the value of shareholder equity on the balance sheet of a company relative to the price of a company's share), lower forecasts for medium term growth and lower historical growth of sales per share. The constituents are ranked by reference to these three variables which are combined to produce a composite value score (CVS). In general, constituents with a higher CVS are considered to have higher value characteristics.

The Benchmark Index rebalances on an annual basis. The weight of the largest issuer in the Benchmark Index is capped at 30% and the weights of all other issuers are capped at 18% at each Benchmark Index rebalancing. Further

details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftserussell.com/Index.

***iShares S&P 500 3% Capped UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500 3% Capped Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the S&P 500 3% Capped Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares S&P 500 3% Capped UCITS ETF is US Dollar (US$).

*Benchmark Index*
The S&P 500 3% Capped Index aims to reflect the performance of securities within the S&P 500 Index (the "Parent Index") with a 3% cap to the weight of each company within the Benchmark Index. The Parent Index measures the performance of 500 stocks from top US companies in leading industries of the US economy which comply with S&P's size, liquidity and free-float criteria.

The Benchmark Index includes all the constituents of the Parent Index but, at each rebalance date, the weight of all Benchmark Index constituents are capped at 3%. If any company has a weight greater than 3% the excess weight is proportionally redistributed to all uncapped companies. This means that, at each index rebalance, the Benchmark Index will have a larger weighting in the smaller market capitalisation securities compared to its Parent Index. Between index rebalances, Benchmark Index constituent weightings will fluctuate due to price performance.

The Benchmark Index rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.spglobal.com/spdji/en/index-finder/.

***iShares S&P 500 Paris-Aligned Climate UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500 Net Zero 2050 PAB Sustainability Screened Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the S&P 500 Net Zero 2050 PAB Sustainability Screened Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III of the Prospectus).**

It is intended that the Fund's direct investments will, at the time of purchase, comply with the ESG requirements of the Fund's Benchmark Index. The Fund may continue to hold securities which no longer comply with the ESG requirements of the Fund's Benchmark Index until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

For the purposes of complying with AMF ESG Rules, the Fund will adopt a best-in-class approach to sustainable investing. The best-in-class approach means that by investing in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index, it is expected that the Fund will invest in the best issuers from an ESG perspective (based on the ESG criteria of the Benchmark Index) within each relevant sector of activities covered by the Benchmark Index. More than 90% of the net assets of the Fund, excluding Cash Holdings and daily dealing money market collective investment schemes, are rated or analysed in accordance with the ESG criteria of the Benchmark Index. For FDI, any such analyses will apply only to the underlying securities. By adopting the ESG methodology of the Benchmark Index, the Fund applies the extra-financial indicator upgrade approach for the purposes of the AMF ESG Rules, which means that the weighted average environmental indicator of the Fund (being the relevant extra-financial indicator of the Fund) will be 20% better than the weighted average environmental indicator of the Parent Index (as defined below) based on a reduction of carbon emission intensity.

The Base Currency of iShares S&P 500 Paris-Aligned Climate UCITS ETF is US Dollar (US$).

*Benchmark Index*
The S&P 500 Net Zero 2050 PAB Sustainability Screened Index aims to reflect the performance of a sub-set of equity securities of companies within the S&P 500 Index (the "Parent Index") which are selected and weighted in accordance with the Benchmark Index methodology to be collectively compatible with the aim of holding the increase in the global average temperature (a "1.5°C global warming scenario"), at Benchmark Index level.

The Parent Index measures the performance of 500 stocks from top US companies in leading industries of the US economy which comply with S&P's size, liquidity and free-float criteria.

The Benchmark Index aims to meet the minimum standards for EU Paris-Aligned benchmarks set out in the Commission Delegated Regulation (EU) 2020/1818 for the methodology of benchmark indices that would be aligned with the objectives of the Paris Agreement.

The Benchmark Index also incorporates factors that seek to manage transition risk, physical risk and climate change opportunities (as further described below) in a manner that is aligned with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures' ("TCFD") 2017 Final Report.

The Benchmark Index excludes issuers based on their involvement in controversial weapons, military contracting, small arms, tobacco, oil sands, shale energy, fossil fuel operations and power generation (including coal exploration or processing, oil exploration or processing, natural gas exploration or processing and power generation relating to coal, petroleum, natural gas and biomass power generation). The index provider defines what constitutes "involvement" in restricted activities; this may be based on corporate ownership, percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers from the Parent Index which are classified as being involved in serious ESG controversies or as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and their underlying conventions. Index constituents are evaluated for ESG risk, and a company engaged in controversial activities may be removed from the Benchmark Index.

The remaining constituents are then selected and weighted for inclusion in the Benchmark Index with the aim of minimising the difference in constituent weights relative to the Parent Index by:

- reducing the weighted average greenhouse gas (GHG) intensity relative to the Parent Index;
- reducing the weighted average GHG intensity by a minimum annual rate;
- aligning to a 1.5°C global warming scenario, as determined by the index provider, based on a calculation of the constituents' carbon budgets and emissions using historical and future projections;
- increasing exposure to companies with the targets from the Science Based Target Initiative (SBTI), as determined by the index provider, based on the constituents' disclosure of target emissions against the SBTI targets which are credible and consistent with the above decarbonisation trajectory;
- targeting exposure to sectors with a high impact on climate change at least equivalent to the Parent Index to align with the objectives of the Paris Agreement to include exposure to sectors that should actively reduce GHG emissions;
- targeting a minimum increase in the ESG score, as determined by the index provider, compared with the Parent Index;
- targeting a minimum reduction in physical risk scores, as determined by the index provider, compared with the Parent Index;
- targeting a minimum reduction in fossil fuel reserves, compared with the Parent Index;
- managing and increasing exposure to potential climate change opportunities, as determined by the index provider, through controlled and higher green-to-brown revenue share compared with the Parent Index;
- capping exposure to companies having insufficiently disclosed their GHG emissions; and
- applying constituent-level liquidity and diversification caps

according to the thresholds for such constraints determined by the index provider in the index methodology.

The Benchmark Index rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.spglobal.com/spdji/en/supplemental-data/europe/.

***iShares S&P 500 Top 20 UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500 Top 20 Select 35/20 Capped Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the S&P 500 Top 20 Select 35/20 Capped Index, the Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares S&P 500 Top 20 UCITS ETF is US Dollar (US$).

*Benchmark Index*
The S&P 500 Top 20 Select 35/20 Capped Index measures the performance of the largest 20 companies in the S&P 500. The S&P 500 measures the performance of 500 stocks from top US companies in leading industries of the US economy which comply with S&P's size, liquidity and free-float criteria.

The Benchmark Index is free-float market capitalisation weighted, applies issuer exposure capping and rebalances on a quarterly basis (or more frequently if required). The Benchmark Index also caps the weight of the largest companies at each rebalance to help ensure index diversification. The index provider applies the index weight caps to ensure the weight of the largest company in the Benchmark Index does not exceed 35% and the weights of the remaining companies do not exceed 20%. The index weight caps are set below the 35% and 20% thresholds to seek to ensure that the Benchmark Index remains within the specified weight limits. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.spglobal.com/spdji/en/supplemental-data/europe/.

## METHODOLOGIES FOR CURRENCY HEDGING

The Company is a UCITS and accordingly the Funds are subject to the investment and borrowing restrictions set out in the Regulations and the Central Bank UCITS Regulations. These are set out in detail in Schedule III below.

***Currency Hedged Funds***

Currency hedging is undertaken for the Currency Hedged Funds via such Funds tracking Benchmark Indices that incorporate a foreign currency hedging methodology. The hedge positions may result in leverage being generated within these Funds on an intra-month basis. In relation to the foreign currency hedging component of the Currency Hedged Funds, in the event that there is a gain on the hedge, no leverage will result from such gain. In the event that there is a loss on the hedge, leverage will result in the relevant Fund from such loss. Any leverage will be removed or reduced when the relevant Benchmark Index is rebalanced each month. As the Currency Hedged Funds track Benchmark Indices, they will seek to deliver an exposure similar to that generated by their respective Benchmark Indices.

The Investment Manager does not intend to leverage the Currency Hedged Funds beyond that required to track their respective Benchmark Indices.

Upon receipt of a subscription in the Currency Hedged Funds, the Investment Manager will allocate monies representing the subscription in proportion to the weightings in the relevant Benchmark Index. The intra-month foreign currency exchange position may mean that tracking the equity portion of the relevant Benchmark Index requires the Investment Manager to acquire securities representing the relevant Benchmark Index directly and also through a futures contract in proportion to the weightings of the securities comprising the relevant Benchmark Index and the value of the hedge.

***Currency Hedged Share Classes***

Currency hedging is undertaken for each Currency Hedged Share Class by hedging its underlying portfolio currency exposures that are different from its Valuation Currency to keep the difference between such underlying portfolio currency exposures and the Valuation Currency within a pre-determined tolerance. The Investment Manager will monitor the currency exposure of each Currency Hedged Share Class against the pre-determined tolerances daily and will determine when a currency hedge should be reset and the gain or loss arising from the currency hedge reinvested or settled, while taking into consideration the frequency and associated transaction and reinvestment costs of resetting the currency hedge. Currency hedging is carried out on a best efforts basis and there is no guarantee that the Investment Manager will be successful in fully hedging the currency risks. This could result in mismatches between the currency position of the relevant Fund and the Currency Hedged Share Class.

In the event that, the over-hedged or under-hedged position on any single underlying portfolio currency exposure of a Currency Hedged Share Class exceeds the pre-determined tolerance as at the close of a Business Day (for example, due to market movement), the hedge in respect of that underlying currency will be reset on the next Business Day (on which the relevant currency markets are open). Over-hedged positions shall not exceed 105% of the net asset value of the relevant Currency Hedged Share Class and under-hedged positions shall not fall short of 95% of the portion of the net asset value of the relevant Currency Hedged Share Class that is to be hedged against currency risk. In addition, if the aggregate gain or loss arising from the currency forwards for hedging all the underlying currencies of a Currency Hedged Share Class exceeds the pre-determined tolerance as at the close of a Business Day, the Investment Manager will determine on the next Business Day (on which the relevant currency markets are open) whether some or all of the currency hedges held by that Share Class are required to be reset to reduce the gain or loss if the gain or loss remains outside the tolerance. Applying the above tolerance thresholds will enable the Investment Manager to better manage the frequency and associated costs arising from FX transactions to effect the hedge for Currency Hedged Share Classes. The pre-determined tolerance threshold for each Currency Hedged Share Class is reviewed by BlackRock's Risk and Quantitative Analysis team.

In relation to the foreign currency hedging component of the Currency Hedged Share Classes, in the event that there is a gain on the foreign currency hedge, no leverage will result from such gain. In the event that there is a loss on the foreign currency hedge, leverage will result in the relevant Currency Hedged Share Classes from such loss. Any leverage will be removed or reduced when the relevant currency hedge is adjusted or reset as required for the relevant Currency Hedged Share Class. The Investment Manager does not intend to leverage the Currency Hedged Share Classes beyond the tolerance threshold at which point a reset of some or all of the currency hedges for that Currency Hedged Share Class will be triggered. In extreme market circumstances the tolerance threshold may be temporarily breached.

Upon receipt of a subscription in a Currency Hedged Share Class, the Investment Manager will allocate monies representing the subscription in proportion to the weightings between the securities held by the Fund that are attributable to that Share Class and the value of the hedge of that Share Class.

# INVESTMENT TECHNIQUES

The Funds invest in transferable securities in accordance with the Regulations and/or other liquid financial assets referred to in Regulation 68 of the Regulations with the aim of spreading investment risk. Each Fund's Investments will be limited to investments permitted by the Regulations which are described in more detail in Schedule III. Each Fund's Investments, other than its Investments in open-ended collective investment schemes, will normally be listed or traded on Regulated Markets set out in Schedule I.

There are a number of circumstances in which achieving the investment objective and policy of a Fund may be prohibited by regulation, may not be in the interests of holders of Shares or may require the use of strategies which are ancillary to those set out in the Fund's investment objective and policy. These circumstances include, but are not limited to the following:-

(i) Each Fund is subject to the Regulations which include, inter alia, certain restrictions on the proportion of that Fund's value which may be held in individual securities. Depending on the concentration of the Benchmark Index, a Fund may be restricted from investing to the full concentration level of the Benchmark Index. In addition, a Fund may hold synthetic securities within the limits set out in this Prospectus, provided that the synthetic securities are securities which are correlated to, or the return on which is based on securities which form part of the Benchmark Index.

(ii) The constituent securities of the Benchmark Index change from time to time (a "rebalancing"). The Investment Manager may adopt a variety of strategies when investing the assets of a Fund to bring it in line with the rebalanced Benchmark Index. For example, (a) for Equity Funds, where a security which forms part of the Benchmark Index is not available or is not available for the required value or a market for such security does not exist or is restricted, or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository receipt, a Fund may hold depository receipts relating to such securities (e.g. ADRs and GDRs); (b) for Fixed Income Funds, where a fixed income security which forms part of the Benchmark Index is not available or is not available for the required value or a market for such security does not exist or is restricted, or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository note or other fixed income securities, the Fund may hold depository notes relating to such securities (e.g. GDNs) and/or hold some other fixed income securities which have similar risk characteristics even if such fixed income securities are not themselves constituents of the Benchmark Index.

(iii) From time to time, securities in the Benchmark Index may be subject to corporate actions. The Investment Manager may manage these events in its discretion.

(iv) A Fund may hold ancillary liquid assets and will normally have dividend/income receivables. The Investment Manager may purchase FDI (as outlined above), for direct investment purposes, to produce a return similar to the return on the Benchmark Index.

(v) Securities included in the Benchmark Index may, from time to time, become unavailable, illiquid or unobtainable at fair value. In these circumstances, the Investment Manager may use a number of techniques in respect of non-replicating Funds, including purchasing securities which are not constituents of the Benchmark Index, whose returns, individually or collectively, are considered by the Investment Manager to be well-correlated to the constituents of the Benchmark Index (see the section entitled "Non-replicating Funds" below for more details).

(vi) The Investment Manager will have regard to the costs of any proposed portfolio transaction. It may not necessarily be efficient to execute transactions which bring a Fund perfectly in line with the Benchmark Index at all times.

***Replicating Funds***

Replicating index Funds seek to replicate as closely as possible the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in similar proportion to their weightings in the Benchmark Index. In doing so, where permitted by their investment policy, replicating index Funds may avail of higher investment limits set out in section 4 of Schedule III. It may not, however, always be possible or practicable to purchase each and every constituent of the Benchmark Index in accordance with the weightings of the Benchmark Index, or doing so may be detrimental to holders of Shares in the relevant Fund (for example, where there are considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the Benchmark Index, or in circumstances where a security in the Benchmark Index becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions that apply to the Fund but not to the Benchmark Index).

The following Funds use a replicating strategy and may avail of higher investment limits set out in section 4 of Schedule III: iShares Core EURO STOXX 50 UCITS ETF, iShares Core FTSE 100 UCITS ETF GBP (Acc), iShares Core MSCI EMU UCITS ETF, iShares Core MSCI Pacific ex-Japan UCITS ETF, iShares Core S&P 500 UCITS ETF, iShares Dow Jones Industrial Average UCITS ETF, iShares FTSE Italia Mid-Small Cap UCITS ETF, iShares FTSE MIB UCITS ETF EUR (Acc), iShares MSCI Canada UCITS ETF, iShares MSCI EM Asia UCITS ETF, iShares MSCI EMU CHF Hedged UCITS ETF (Acc), iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI EMU USD Hedged UCITS ETF (Acc), iShares MSCI Japan UCITS ETF, iShares MSCI Korea UCITS ETF USD (Acc), iShares MSCI Mexico Capped UCITS ETF, iShares MSCI UK UCITS ETF, iShares MSCI USA UCITS ETF, iShares Nasdaq 100 ex-Top 30 UCITS ETF, iShares Nasdaq 100 Top 30 UCITS ETF, iShares NASDAQ 100 UCITS ETF, iShares Nikkei 225 UCITS ETF, iShares Russell 1000 Growth UCITS ETF, iShares Russell 1000 Value UCITS ETF, iShares S&P 500 3% Capped UCITS ETF, iShares S&P 500 Paris-Aligned Climate UCITS ETF and iShares S&P 500 Top 20 UCITS ETF.

***Non-replicating Funds***

Certain Funds may not be replicating index Funds for the purposes of the Regulations and therefore are not permitted to avail of the higher investment limits set out in section 4 of Schedule III which apply to replicating index Funds (instead, they may use optimisation techniques to achieve their investment objective). These Funds may, or may not, hold every security or the exact concentration of a security in its Benchmark Index, but will aim to track its Benchmark Index as closely as possible. The extent to which a Fund uses optimisation techniques will depend on the nature of the constituents of its Benchmark Index, the practicalities and cost of tracking the relevant Benchmark Index, and such use is at the discretion of the Investment Manager. For example, a Fund may use optimisation techniques extensively and may be able to provide a return similar to that of its Benchmark Index by investing only in a relatively small number of the constituents of its Benchmark Index. The Fund may also hold some securities which provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index even if such securities are not themselves constituents of the Benchmark Index and the Fund's holdings may exceed the number of constituents of the Benchmark Index. The use of optimisation techniques, implementation of which is subject to a number of constraints detailed in Schedule III, may not produce the intended results.

The following Funds use a non-replicating strategy: iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B, iShares $ Treasury Bond 3-7yr UCITS ETF iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc), iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc), iShares € Govt Bond 3-7yr UCITS ETF, iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc), iShares MSCI EMU Small Cap UCITS ETF, iShares MSCI UK Small Cap UCITS ETF and iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF.

***All Funds***

Where consistent with its investment policy, each Fund may from time to time invest in convertible securities (with the exception of iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares Nasdaq 100 ex-Top 30 UCITS ETF, iShares Nasdaq 100 Top 30 UCITS ETF, iShares S&P 500 3% Capped UCITS ETF, iShares S&P 500 Paris-Aligned Climate UCITS ETF and iShares S&P 500 Top 20 UCITS ETF), government bonds, liquidity instruments such as floating rate instruments, certificates of deposit and commercial paper (rated at least P-2 (short-term) or A3 (long-term) by Moody's or an equivalent rating from another agency), Structured Finance Securities, other transferable securities (for example, medium term notes) and open-ended collective investment schemes. Subject to the provisions of the Regulations and the conditions imposed by the Central Bank, each Fund may invest in other Funds of the Company and/or in other collective investment schemes managed by the Manager. Funds which avail themselves of the investment limits set out in section 4 of Schedule III (i.e. replicating index funds per the Regulations), may only invest in these instruments to assist in gaining exposure to the component securities of their Benchmark Indices. The Equity Funds and the Fixed Income Funds may, in accordance with the requirements of the Central Bank in limited circumstances where direct investment in a constituent security of its Benchmark Index is not possible or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository receipt or a depository note, invest in depository receipts and depository notes respectively to gain exposure to the relevant security. The Funds may hold small amounts of ancillary liquid assets (which will normally have dividend/income receivables) and the Investment Manager, to produce a return similar to the return on the Benchmark Index, may purchase FDI. The Funds may also hold small amounts of cash ("Cash Holdings"). The Funds may, to preserve the value of such Cash Holdings, invest in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

In addition, a Fund may also engage in transactions in FDI including options and futures transactions, swaps, forward contracts, non-deliverable forwards, credit derivatives (such as single name credit default swaps and credit default swap indices), spot foreign exchange transactions, caps and floors, contracts for difference (with the exception of iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares Nasdaq 100 ex-Top 30 UCITS ETF, iShares Nasdaq 100 Top 30 UCITS ETF, iShares Russell 1000 Growth UCITS ETF, iShares Russell 1000 Value UCITS ETF, iShares S&P 500 3% Capped UCITS ETF, iShares S&P 500 Paris-Aligned Climate UCITS ETF and iShares S&P 500 Top 20 UCITS ETF) or other derivative transactions (with the exception of iShares Nasdaq 100 ex-Top 30 UCITS ETF, iShares Nasdaq 100 Top 30 UCITS ETF, iShares Russell 1000 Growth UCITS ETF, iShares Russell 1000 Value UCITS ETF, iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares S&P 500 3% Capped UCITS ETF and iShares S&P 500 Top 20 UCITS ETF) for direct investment, where appropriate, to assist in achieving its objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Benchmark Index or to the Benchmark Index itself, to produce a return similar to the return of the Benchmark Index, to reduce transaction costs or taxes or allow

exposure in the case of illiquid securities or securities which are unavailable for market or regulatory reasons or to minimise tracking errors or for such other reasons as the Directors deem of benefit to a Fund.

The maximum proportion of the Net Asset Value of the Funds that can be subject to total return swaps is 10% and the expected proportion of the Net Asset Value of the Funds that will be subject to total return swaps is 0%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions.

In the event that a Fund invests in non-fully funded FDI, the Fund may invest (i) cash representing up to the notional amount of such FDI less margin payments (if any) in such FDI, and (ii) any variation margin cash collateral received in respect of such FDI (together "FDI Cash Holdings"), in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

The Funds will not invest in fully funded FDI, including fully funded swaps.

*Disclosure in respect of the Funds marketed in Mexico*

Although the percentage of a Fund's net assets which must be invested in the component securities of its Benchmark Index is not prescribed by this Prospectus, the Funds marketed in Mexico will each generally invest at least 80% of their assets in securities of their respective Benchmark Indices and in depository receipts or depository notes, as applicable, representing securities of their respective Benchmark Indices. However, these Funds may at times each invest up to 20% of their assets in certain FDI, cash and cash equivalents, including money market funds managed by the Manager or Affiliates, as well as in securities not included in their respective Benchmark Indices, but which the Investment Manager believes will help these Funds track their respective Benchmark Indices. The list of Funds marketed in Mexico is available at the official iShares website (www.ishares.com).

**Risk Management Process**

The Investment Manager employs a risk management process in respect of the Funds in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDI ("global exposure") which each Fund gains. Any FDI not included in the risk management process will not be used until such time as a revised risk management process has been provided to the Central Bank. Information regarding the risks associated with the use of FDI can be found in the section entitled "Risk Factors - FDI Risks".

The Investment Manager uses the methodology known as the "Commitment Approach" in order to measure the global exposure of the Current Funds and manage the potential loss to them due to market risk. The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDI to determine the degree of global exposure of a Fund to FDI. Pursuant to the Regulations, in the event that a Fund uses leverage in the future, the global exposure for a Fund must not exceed 100% of that Fund's Net Asset Value.

The Funds may have small cash balances from time to time and may use FDI to produce a return on that cash similar to the Benchmark Index. The Funds may also use FDI as set out in this Prospectus. In addition, for Funds which invest in fixed income securities, in order to match the duration and risk profile of the relevant Benchmark Index they may obtain a larger percentage weight exposure through FDI than the relevant cash balance. It is not the Investment Manager's intention to leverage the Funds. The Central Bank considers that any resulting leverage below 5% of a Fund's Net Asset Value is consistent with the statement that a Fund does not intend to be leveraged.

**Management of Cash Holdings and FDI Cash Holdings**

The Funds may invest Cash Holdings and / or FDI Cash Holdings in one or more daily dealing money market collective investment schemes authorised as UCITS. Such collective investment schemes may be managed by the Manager and / or an Affiliate and are subject to the limits set out in Schedule III. Such collective investment schemes may comprise sub-funds in Institutional Cash Series plc which invest in money market instruments. Institutional Cash Series plc is a BlackRock umbrella fund and open-ended investment company with variable capital incorporated in Ireland and having segregated liability between its sub-funds. It is not anticipated that the Fund's Cash Holdings and / or FDI Cash Holdings will result in additional market exposure or capital erosion, however, to the extent that additional market exposure or capital erosion occurs it is expected to be minimal.

**ANTICIPATED TRACKING ERROR**

Tracking error is the annualised standard deviation of the difference in monthly returns between a fund and its benchmark index.

At BlackRock, we believe that this figure is important to a tactical investor who trades in and out of ETFs on a regular basis, often holding shares in an ETF for the period of only a few days or weeks. For a buy-to-hold investor with a longer investment time horizon, the tracking difference between the fund and the index over the target investment period should be more important as a measure of performance against the index. Tracking difference measures the actual difference between the returns of a Fund and the returns of the index (i.e. how closely a fund tracks its index), while tracking error measures the increase and decrease in tracking difference (i.e. volatility of tracking difference).

We encourage investors to consider both metrics when evaluating an ETF.

Tracking error can be a function of the ETF replication methodology. Generally speaking, historical data provides evidence that synthetic replication produces lower tracking error than physical replication; however, the same data often also provides evidence that physical replication produces lower tracking difference than synthetic replication.

Anticipated tracking error is based on the expected volatility of differences between the returns of the relevant fund and the returns of its benchmark index. For a physically replicating ETF, one of the primary drivers of tracking error is the difference between a Fund's holdings and index constituents. Cash management and trading costs from rebalancing can also have an impact on tracking error as well as the return differential between the ETF and the benchmark index. The impact can be either positive or negative depending on the underlying circumstances.

In addition to the above, the Company and/or a Fund may also have a tracking error due to withholding tax suffered by the Company and/or a Fund on any income received from its Investments. The level and quantum of tracking error arising due to withholding taxes depends on various factors such as any reclaims filed by the Company and/or a Fund with various tax authorities, any benefits obtained by the Company and/or a Fund under a tax treaty or any securities lending activities carried out by the Company and/or a Fund.

The table below displays the anticipated tracking error, in normal market conditions, of the Current Funds against each Fund's Benchmark Index, except that for Current Funds which have multiple Share Classes, the anticipated tracking error displayed is for the Unhedged Share Classes against the corresponding Fund's Benchmark Index (which is also unhedged). The anticipated tracking error of a Fund is not a guide to its future performance. The annual and semi-annual report and accounts will set out the actual realised tracking errors as at the end of the period under review.

| **Fund** | **Anticipated tracking error** |
|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | Up to 0.15% |
| iShares $ Treasury Bond 3-7yr UCITS ETF | Up to 0.10% |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | Up to 0.20% |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | Up to 0.05% |
| iShares € Govt Bond 3-7yr UCITS ETF | Up to 0.05% |
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | Up to 0.10% |
| iShares Core EURO STOXX 50 UCITS ETF | Up to 0.30% |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | Up to 0.10% |
| iShares Core MSCI EMU UCITS ETF | Up to 0.25% |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | Up to 0.15% |
| iShares Core S&P 500 UCITS ETF | Up to 0.10% |
| iShares Dow Jones Industrial Average UCITS ETF | Up to 0.15% |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | Up to 0.40% |
| iShares FTSE MIB UCITS ETF EUR (Acc) | Up to 0.45% |
| iShares MSCI Canada UCITS ETF | Up to 0.10% |
| iShares MSCI EM Asia UCITS ETF | Up to 1.00% |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | Up to 0.35% |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | Up to 0.30% |
| iShares MSCI EMU Small Cap UCITS ETF | Up to 0.30% |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | Up to 0.35% |
| iShares MSCI Japan UCITS ETF | Up to 0.15% |
| iShares MSCI Korea UCITS ETF USD (Acc) | Up to 0.30% |
| iShares MSCI Mexico Capped UCITS ETF | Up to 0.10% |
| iShares MSCI UK Small Cap UCITS ETF | Up to 0.20% |
| iShares MSCI UK UCITS ETF | Up to 0.10% |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | Up to 0.20% |
| iShares MSCI USA UCITS ETF | Up to 0.10% |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | Up to 0.20% |
| iShares Nasdaq 100 Top 30 UCITS ETF | Up to 0.10% |
| iShares NASDAQ 100 UCITS ETF | Up to 0.10% |
| iShares Nikkei 225 UCITS ETF | Up to 0.20% |
| iShares Russell 1000 Growth UCITS ETF | Up to 0.15% |
| iShares Russell 1000 Value UCITS ETF | Up to 0.15% |
| iShares S&P 500 3% Capped UCITS ETF | Up to 0.10% |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | Up to 0.10% |
| iShares S&P 500 Top 20 UCITS ETF | Up to 0.15% |

## EFFICIENT PORTFOLIO MANAGEMENT

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities for efficient portfolio management purposes. Transactions for the purposes of efficient portfolio management may be undertaken with a view to achieving a reduction in risk, a reduction in costs or the generation of additional capital or income for the Fund with an appropriate level of risk, taking into account the risk profile of the relevant Fund and the general provisions of the Directive. These techniques and instruments may include Investments in FDI such as interest rate and bond futures (which may be used to manage interest rate risk), index futures (which may be used to manage cash flows on a short term basis), options (which may be used to achieve cost efficiencies, for example where the acquisition of the option is more cost effective than purchasing of the underlying asset), swaps (which may be used to manage currency risk) and Investments in money market instruments and/or money market collective investment schemes. Such techniques and instruments are set out in Schedule II. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject to the Central Bank's requirements) may employ such techniques and instruments.

A Fund may enter into securities lending, repurchase and/or reverse repurchase agreements for the purposes of efficient portfolio management subject to the conditions and limits set out in the Central Bank UCITS Regulations and in accordance with the requirements of the Central Bank.

All revenues from efficient portfolio management techniques will be returned to the relevant Fund, net of direct and indirect operational costs and fees (which do not include hidden revenue).

The maximum proportion of the Net Asset Value of the Funds that can be subject to repurchase and reverse repurchase agreements is 100%. The expected proportion of the Net Asset Value of the Funds that will be subject to repurchase and reverse repurchase agreements is 0%. The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

The maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending is 100% and for some Funds the proportion will be lower, as indicated below. The demand to borrow securities and to comply with investor tax regulations in certain jurisdictions are significant drivers for the amount that is actually lent from a Fund at a given time. Borrowing demand fluctuates over time and depends to a large extent on market factors and prevailing investor tax legislation in certain jurisdictions, neither of which can be forecasted precisely. Based on historical data, lending volumes for Funds invested in the following asset classes are typically in the ranges set out below, though past levels are no guarantee of future levels.

The maximum proportion of the Net Asset Value of a Fund that can be subject to securities lending is set at the discretion of the Manager. **Investors should note that a limitation of maximum securities lending levels by a Fund, at a time when demand exceeds those maximum levels, may reduce potential income to a Fund that is attributable to securities lending.**

The Investment Manager has been appointed by the Company as the securities lending agent of the Funds under the terms of a securities lending management agreement. Under the terms of the agreement, the securities lending agent is appointed to manage the Funds' securities lending activities and is entitled to receive a fee out of the income generated from securities lending which is in addition to its fee as investment manager. The fee of the securities lending agent represents direct costs (and if relevant indirect operational costs/fees) of the Funds' securities lending activities. All revenue generated from securities lending activities net of the securities lending agent's fee will be returned to the relevant Fund. If there is securities lending revenue generated, the securities lending agent will receive a fee of 37.5% of such securities lending revenue and will pay any third party operational and administrative costs associated with, and incurred in respect of, such activity, out of its fee. To the extent that the securities lending costs payable to third parties exceed the fee received by the securities lending agent, the securities lending agent will discharge any excess amounts out of its own assets. Full financial details of the amounts earned and expenses incurred with respect to securities lending for the Funds, including fees paid or payable, will also be included in the annual and semi-annual financial statements. The securities lending arrangements and associated costs will be reviewed at least annually.

| **Fund** | **Expected Net Asset Value subject to securities lending (%)** | **Maximum Net Asset Value subject to securities lending (%)** |
|---|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | 0-99% | 100% |
| iShares $ Treasury Bond 3-7yr UCITS ETF | 0-99% | 100% |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | 0-99% | 100% |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | 0-99% | 100% |
| iShares € Govt Bond 3-7yr UCITS ETF | 0-99% | 100% |

| Fund | Expected Net Asset Value subject to securities lending (%) | Maximum Net Asset Value subject to securities lending (%) |
|---|---|---|
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | 0-99% | 100% |
| iShares Core EURO STOXX 50 UCITS ETF | 0%-8% | 9% |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | 0%-20% | 22% |
| iShares Core MSCI EMU UCITS ETF | 0%-10% | 11% |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | 0%-29% | 32% |
| iShares Core S&P 500 UCITS ETF | 0%-15% | 17% |
| iShares Dow Jones Industrial Average UCITS ETF | 0%-15% | 17% |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | 0%-10% | 11% |
| iShares FTSE MIB UCITS ETF EUR (Acc) | 0%-39% | 43% |
| iShares MSCI Canada UCITS ETF | 0%-25% | 28% |
| iShares MSCI EM Asia UCITS ETF | 0%-19% | 21% |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | 0%-20% | 22% |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | 0%-10% | 11% |
| iShares MSCI EMU Small Cap UCITS ETF | 0%-34% | 37% |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | 0%-20% | 22% |
| iShares MSCI Japan UCITS ETF | 0%-39% | 43% |
| iShares MSCI Korea UCITS ETF USD (Acc) | 0%-39% | 43% |
| iShares MSCI Mexico Capped UCITS ETF | 0%-5% | 6% |
| iShares MSCI UK Small Cap UCITS ETF | 0%-34% | 37% |
| iShares MSCI UK UCITS ETF | 0%-20% | 22% |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | 0%-25% | 28% |
| iShares MSCI USA UCITS ETF | 0%-10% | 11% |
| iShares NASDAQ 100 ex-Top 30 UCITS ETF | 0%-34% | 37% |
| iShares NASDAQ 100 Top 30 UCITS ETF | 0%-34% | 37% |
| iShares NASDAQ 100 UCITS ETF | 0%-10% | 11% |
| iShares Nikkei 225 UCITS ETF | 0%-39% | 43% |
| iShares Russell 1000 Growth UCITS ETF | 0%-37% | 37% |
| iShares Russell 1000 Value UCITS ETF | 0%-34% | 37% |
| iShares S&P 500 3% Capped UCITS ETF | 0%-34% | 37% |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | 0%-34% | 37% |
| iShares S&P 500 Top 20 UCITS ETF | 0%-34% | 37% |

# RISK FACTORS

**Investors' attention is drawn to the following risk factors in relation to the Funds. This does not purport to be an exhaustive list of the risk factors relating to investing in the Company or its Funds.**

**General investment risks**

***Investment Risks***
Past performance is not a guide to the future. The prices of Shares and the income from them may fall as well as rise and an investor may not recover the full amount invested. There can be no assurance that any Fund will achieve its investment objective or that an investor will recover the full amount invested in a Fund. The capital return and income of each Fund are based on the capital appreciation and income of the securities it holds, less expenses incurred and any relevant Duties and Charges. Therefore, each Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income.

***Market Risk***
Market risk is the risk that one or more markets in which a Fund invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. The value of a security or other asset may decline due to changes in general market conditions, economic trends or events that are not specifically related to the issuer of the security or other asset, or factors that affect a particular issuer or issuers, exchange, country, group of countries, region, market, industry, group of industries, sector or asset class. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on a Fund and its investments.

***Sustainability Risk***
*BlackRock defines sustainability risk as an investment risk (likelihood of material losses relative to the expected return of an investment) that arises from environmental, social and/or governance issues. In assessing this risk, BlackRock focuses on the investment risks that are financially material to a Fund and its investments. The definition of sustainability risk is not intended to capture the risk that a Fund with sustainable characteristics or objectives fails to meet its sustainable commitments.*

*As with other investment risks and opportunities, the financial materiality of sustainability risk may vary by issuer, sector, product, mandate and time horizon. See the BlackRock SFDR Sustainability Risk Statement applicable to the Manager, as required under Article 3 of SFDR, for further information (which is available at: www.blackrock.com/corporate/sustainability).*

*The outcome of the sustainability risk assessment outlined below is an assessment at the Fund level with no reference to its Benchmark Index or the active objective of the Fund (as the case may be). This is designed to give investors an indication of the total level of sustainability risk they may be exposed to when investing in a particular Fund. It is not intended to represent how sustainability risk is managed within the investment processes, as risk is managed within the objective of the Fund, and typically assessed relative to the benchmark of the Fund. Like other investment risks, the ability to manage sustainability risk depends on the Fund chosen. If an investor chooses a Fund with limited investment discretion - such as an index replicating Fund - the ability to manage or control the sustainability risk present in that Fund will be constrained.*

*Whilst the impact of sustainability risk may differ from fund to fund, as noted in the Risk Factors above, all Funds may be subject to some aspects of sustainability risk, given sustainability risk may manifest itself through existing other risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.).*

*Sustainability risk may be reflected in two ways: 1) a Fund's potential exposure to a sustainability risk event and 2) the potential financial impact to a Fund's performance should such a sustainability risk event or factor occur. In assessing the potential impact of sustainability risk, these aspects are considered against the Fund's characteristics as listed below. Exposure and impact are assessed across a 5 year (or less) time horizon as aligned with the investment horizon of the majority of BlackRock funds.*

- ***Fund Geographical Focus:*** *the geographic location of underlying investments may impact the extent to which a Fund is exposed to and impacted by a sustainability risk event or factor. Certain conditions in a geographic location such as the local climate, regulatory environment, economic diversification or level of infrastructure may impact the extent to which a Fund is exposed to either the physical impacts of climate change, the risks related to the transition to a lower carbon economy or social and governance risks.*

- ***Fund Liquidity:*** *Funds with lower liquidity may be less able to exit positions impacted by sustainability risk and may therefore be more exposed to sustainability risk events and more likely to be financially impacted by a sustainability risk event if it occurs.*

- ***Fund Sector Allocation:*** *certain sectors are likely to be more exposed to the impacts of sustainability risk. As a result, issuers in such sectors may require significant business model transformation or face decreased demand for their goods or services. These effects could be positive or negative depending on company*

*positioning for the future, current economic activities and ability to manage change. Funds with a higher allocation to such sectors, for example, the energy sector, are expected to have higher exposure to sustainability-related risk and also expect a higher impact on financial performance should a sustainability risk event occur. Funds that have lower exposures to these sectors are expected to have lower exposure to sustainability related risk and are expected to experience a lower impact on financial performance should a sustainability risk event occur.*

- ***Product design**: Funds with explicit aims to consider environmental or social characteristics, or with explicit sustainability objectives, adopt investment strategies which drive greater exposure to sustainability related themes and therefore have a higher exposure to a sustainability risk event. As these Funds have greater exposure to sustainability related themes, they can expect a higher financial performance impact should a sustainability risk event occur.*

*BlackRock classifies each of the above factors and aggregates the factor assessments to a fund by fund overall classification of material or not material.*

***ESG Benchmark Index Screening***
Certain Funds seek to track the performance of a Benchmark Index which is stated by the index provider to be screened against ESG criteria and to exclude issuers involved in, or deriving revenues (above a threshold specified by the index provider) from, certain business activities, or to weight issuers within the Benchmark Index to optimise ESG scores, at each index rebalance. Investors should therefore be comfortable and satisfied with the extent of ESG-related screening undertaken by a Benchmark Index prior to investing in a Fund.

Investor sentiment towards issuers which are perceived as being ESG conscious or attitudes towards ESG concepts generally may change over time which may affect the demand for ESG based investments and may also affect their performance.

Due to the ESG criteria being applied to the relevant Parent Index / investment universe in order to determine eligibility for inclusion in the relevant Benchmark Index, the Benchmark Index will comprise a narrower universe of securities compared to the Parent Index / investment universe and securities of the Benchmark Index are also likely to have different GICS sector weightings and factor weightings compared to the Parent Index / investment universe. Where the Benchmark Index targets a similar risk profile to the Parent Index / investment universe, the Benchmark Index is nevertheless likely to have a different performance profile to the Parent Index / investment universe, due to the narrower universe of securities of the Benchmark Index. This narrower universe of securities may not necessarily perform as well as those securities that do not meet the ESG screening criteria, which may adversely affect the performance of a Fund relative to another collective investment scheme which tracks the Parent Index / investment universe. The index provider of a Benchmark Index may include the application of ESG-based exclusionary criteria which may result in a Fund foregoing opportunities to purchase, or otherwise reducing exposure to or underweighting, certain securities when it might otherwise be advantageous to carry out such purchase or maintain its holding of such securities, and/or selling securities due to their ESG characteristics, when to do so might otherwise be disadvantageous. As such, the use of such criteria may affect a Fund's investment performance.

Screening of a Benchmark Index against its ESG criteria is generally carried out by an index provider only at index rebalances, although certain indices may be screened by the index provider for UNGC violators during periodic reviews in between index rebalances. Companies which have previously met the screening criteria of a Benchmark Index, and have therefore been included in the Benchmark Index and the Fund, may unexpectedly or suddenly be impacted by an event of serious controversy which negatively impacts their price and, hence, the performance of the Fund. Where these companies are existing constituents of the Benchmark Index, they will remain in the Benchmark Index and therefore continue to be held by the Fund until the next scheduled rebalancing (or periodic review) when the relevant company ceases to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position. A Fund tracking such Benchmark Index may therefore cease to meet the ESG criteria between index rebalances until the Benchmark Index is rebalanced back in line with its index criteria, at which point the Fund will also be rebalanced in line with its Benchmark Index. At the time that the Benchmark Index excludes the affected securities, the price of the securities (in particular securities of companies impacted by an event of serious controversy) may have already dropped and not yet recovered, and the Fund could therefore be selling the affected securities at a relatively low price point.

Screening of issuers for inclusion within the Benchmark Index of a Fund is carried out by the index provider based on the ESG ratings and / or screening criteria of the index provider or other third parties. This may be dependent upon information and data obtained from third-party data providers which may on occasion be incomplete, inaccurate or inconsistent. There may also be a time lag between the date as at which the data is captured and the date on which the data is used, which may impact the timeliness and quality of the data. None of the Fund, the Manager nor the Investment Manager makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of the index provider's information/data providers, ESG ratings, screening criteria or the way they are implemented. In the event that the status of a security previously deemed eligible for inclusion in the Benchmark Index should change, none of the Fund, the Manager nor the Investment Manager accepts liability in relation to such change. For the avoidance of doubt, none of the Fund, the Manager nor the Investment Manager is responsible for ensuring that the securities that comprise the Benchmark

Index of a Fund will meet the screening criteria applied by the index provider or ensure that the ESG ratings given by the index provider or other third parties to each security are valid.

The extent to which a Fund is able to meet its sustainability commitments or aims may vary on an ongoing basis due to factors such as market conditions, the ESG performance of underlying investments and the methodology applied by the index provider of the Benchmark Index for the Fund. If a Fund's performance falls below its sustainability commitments, the Investment Manager will take steps to bring the Fund back in compliance with its sustainability commitments at the point of the next rebalance of its Benchmark Index.

ESG screens and standards are a developing area and the ESG screens and ratings applied by the index provider may evolve and change over time.

A Fund may use FDI and hold collective investment schemes which may not comply with ESG ratings/criteria applied by an index provider. A Fund may gain limited exposure (through, including but not limited to, derivatives and shares or units of other collective investment schemes) to issuers with exposures which may not comply with socially responsible investment ("**SRI**") requirements and/or ESG criteria applied by the index provider. There may be potential inconsistencies in the ESG criteria or the ESG ratings applied by the underlying collective investment schemes invested in by a Fund. A Fund may also engage in securities lending and receive collateral which may not comply with the SRI requirements and/or ESG criteria applied by the index provider.

*Funds with ESG categorisations or country labels*

Certain Funds have adopted or obtained ESG categorisations (for example under SFDR or the French AMF rules) or country labels (for example Belgian Febelfin or French SRI). Where such Funds track a Benchmark Index and they cease to meet the requirements of their ESG categorisations or labels, it is intended that they will be brought back in line with their respective Benchmark Indices on or around the next index rebalance. At such point, the Funds will be rebalanced in line with their respective Benchmark Indices, subject to any restrictions applicable to the Funds as a result of their ESG categorisations or country labels but not applied by the index provider to their Benchmark Indices (whether due to such restrictions not being part of the index methodology or by error). If a Fund has to not hold a security in its Benchmark Index to comply with a restriction as a result of its ESG categorisation or country label which is not met by its Benchmark Index, this could increase the tracking difference and the tracking error of the Fund. Such increase could be made worse by market volatility.

There may be conditions from time to time in which an index provider finds that it is not possible to rebalance a Benchmark Index to meet, on an optimal basis, all the ESG and non-ESG targets of the Benchmark Index at the same time and the index provider may choose to relax certain ESG or non-ESG targets based on its rules in order to carry out that rebalancing. If this happens, it will in turn impact the performance of the Fund tracking such Benchmark Index at such rebalancing.

Rules and standards for ESG categorisations and labels are a developing area. As such rules evolve over time, they may become stricter and may diverge from the index methodologies and the investment objectives, policies or strategies of the Funds and may even conflict with each other. It may not be possible or practicable for a Fund to continue to comply with the changing rules while maintaining its existing investment objective, policy and strategy or it may not be in the best interest of the Fund and its shareholders as a whole to do so. In such situations, the Fund may cease to hold certain ESG categorisations or labels after the expiry of the period given to remain compliant with the applicable rules for the ESG categorisations or labels.

*Additional risks specific to iShares MSCI EMU Paris-Aligned UCITS ETF, iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF*

The Benchmark Indices of iShares MSCI EMU Paris-Aligned UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF are labelled by the index providers as EU Paris-aligned benchmarks within the meaning of the Benchmarks Regulation. The Benchmark Indices seek to provide exposure to issuers with levels of carbon emissions consistent with the long-term global warming objectives of the Paris Agreement.

The Benchmark Index of iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF is labelled by the index provider as an EU Climate Transition benchmark within the meaning of the Benchmarks Regulation. The Benchmark Index seeks to provide exposure to a portfolio that is on a trajectory towards reducing carbon emissions in a manner consistent with the long-term global warming objectives of the Paris Agreement.

Screening of issuers for inclusion within the Benchmark Index is carried out by the index provider based on the index provider's ESG ratings and / or screening criteria. This may be dependent upon information and data obtained from third-party data providers which may on occasion be incomplete, inaccurate or inconsistent. As certain climate transition targets of the EU Paris-aligned benchmarks and Climate Transition benchmarks are forward looking, it is especially difficult to ensure and/or ascertain that the relevant issuers will be able to achieve such climate transition targets and, by extension, that the relevant Benchmark Index, and the Fund tracking such Benchmark Index, will also be able to achieve such targets. None of the Fund, the Manager nor the Investment Manager makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness

or completeness of the index provider's information/data providers, ESG ratings, screening criteria or the way they are implemented. In the event that the status of a security previously deemed eligible for inclusion in the Benchmark Index should change, none of the Fund, the Manager nor the Investment Manager accepts liability in relation to such change. For the avoidance of doubt, none of the Fund, the Manager nor the Investment Manager is responsible for monitoring the securities that comprise the Benchmark Index against the screening criteria applied by the index provider or assessing the validity of the ESG ratings given by the index provider to each security, or assessing the validity of any label attributed to the Benchmark Index by the index provider.

**Risks specific to investing in index-tracking exchange traded funds (ETFs)**

***Passive Investment Risk***
The Funds are not actively managed and may be affected by a general decline in market segments related to their respective Benchmark Indices. The Funds invest in securities included in, or representative of, their respective Benchmark Indices, and the Funds do not attempt to take defensive positions under any market conditions, including declining markets.

***Index Tracking Risks***
While the Funds, in accordance with their investment objectives, seek to track the performance of their respective Benchmark Indices, whether through a replication or optimising strategy, there is no guarantee that they will achieve perfect tracking and the Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices, from time to time. This tracking error may result from an inability to hold the exact constituents of the Benchmark Index, (although this is not the expected cause of tracking error for non-replicating Funds), for example where there are local market trading restrictions, small illiquid components, a temporary unavailability or interruption in trading of certain securities comprising the Benchmark Index, or in order to meet a Fund's ESG criteria, categorisations or label and/or where the Regulations or other legal restrictions limit exposure to the constituents of the Benchmark Index. For an Article 8 Fund or a Fund with a country label, tracking error may result from such Fund not being able to hold a security in its Benchmark Index due to having to comply with a restriction applicable to the Fund as a result of its ESG categorisation or country label but not applied by the index provider (whether intentionally or by error) to its Benchmark Index.

Where the Benchmark Index of a Fund is to be rebalanced and the Fund seeks to rebalance its portfolio accordingly, the Fund may nevertheless experience tracking error where the rebalancing of the Fund's portfolio does not maintain an exact or contemporaneous alignment, whether on a replicating or an optimised basis, with the Benchmark Index. For example, a Fund may require time to complete the implementation of its rebalance after the rebalance of its Benchmark Index. In addition, a Fund which tracks a Benchmark Index with ESG objectives or characteristics may experience a deviation from the ESG performance or risk of its Benchmark Index. For liquidity purposes, the Funds may hold a portion of their net assets in cash and such cash holdings will not rise and fall in line with movements in their respective Benchmark Indices. In addition, the Company relies on index licences granted by third party index providers to use and track the Benchmark Indices for its Funds. In the event that an index provider terminates or varies an index licence, it will affect the ability of the impacted Funds to continue to use and track their Benchmark Indices and to meet their investment objectives. In such circumstances, in order to meet its investment objective, a Fund may also gain exposure to its Benchmark Index through investment in other financial instruments including FDI in accordance with its investment policy. Alternatively, the Directors may take such action as described in the section entitled "Benchmark Indices". Regardless of market conditions, the Funds aim to track the performance of their respective Benchmark Indices and do not seek to outperform their respective Benchmark Indices.

***Optimising strategy***
It may not be practical or cost efficient for certain Funds to replicate their respective Benchmark Indices. Where it is not part of a Fund's investment policy to replicate its Benchmark Index, such Funds may use optimisation techniques to track the performance of their respective Benchmark Indices. Optimisation techniques may include the strategic selection of some (rather than all) of the securities that make up the Benchmark Index, holding securities in proportions that differ from the proportions of the Benchmark Index and/or the use of FDI to track the performance of certain securities that make up the Benchmark Index. The Investment Manager may also select securities which are not underlying constituents of the relevant Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index. Optimising Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices.

***Index-Related Risks***
As prescribed by this Prospectus, in order to meet its investment objective, each Fund seeks to achieve a return which corresponds generally to the price and yield performance, before fees and expenses, of the relevant Benchmark Index as published by the index provider. There is no assurance that the index provider will compile the Benchmark Index accurately, or that the Benchmark Index will be determined, composed or calculated accurately. While the index provider does provide descriptions of what the Benchmark Index is designed to achieve, the index provider does not provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of the Benchmark Index, and does not guarantee that the Benchmark Index will be in line with the described index methodology.

The Investment Manager's mandate as described in this Prospectus is to manage the Funds consistently with the relevant Benchmark Index provided to the Investment Manager. Consequently, the Investment Manager does not provide any warranty or guarantee for index provider errors. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, particularly where the indices are less commonly used. The coverage and quality of ESG-related data on issuers and issuances (in particular new issuances) may vary based on asset class, market exposure, sectors or instrument types. Therefore gains, losses or costs associated with index provider errors will be borne by the Funds and their investors. For example, during a period where the Benchmark Index contains incorrect constituents, a Fund tracking such published Benchmark Index would have market exposure to such constituents and would be underexposed to the constituents that should have been included in the Benchmark Index. As such, errors may result in a negative or positive performance impact to the Funds and their investors. Investors should understand that any gains from index provider errors will be kept by the Funds and their investors and any losses resulting from index provider errors will be borne by the Funds and their investors.

Apart from scheduled rebalances, the index provider may carry out additional ad hoc rebalances to the Benchmark Index in order, for example, to correct an error in the selection of index constituents. Where the Benchmark Index of a Fund is rebalanced and the Fund in turn rebalances its portfolio to bring it in line with its Benchmark Index, any transaction costs (including any capital gains tax and/or transaction taxes) and market exposure arising from such portfolio rebalancing will be borne directly by the Fund and its investors. Unscheduled rebalances to the Benchmark Indices may also expose the Funds to tracking error risk, which is the risk that its returns may not track exactly those of the Benchmark Index. Therefore, errors and additional ad hoc rebalances carried out by the index provider to a Benchmark Index may increase the costs and market exposure risk of the relevant Fund.

***Index Disruption Risk***
Disruptions to the calculation and publication of the Benchmark Indices ("**Index Disruption Events**") include, but are not limited to, situations where: the Benchmark Index level is deemed to be inaccurate or does not reflect actual market developments; it is not possible to obtain a price or value of one or several constituents of the Benchmark Index (such as due to their becoming illiquid or having their quotation suspended on a stock exchange); the index provider fails to calculate and publish the Benchmark Index level; the Benchmark Index is temporarily suspended or permanently discontinued by the index provider. Such Index Disruption Events may have an impact on the accuracy and/or availability of the published price of the Benchmark Index and in some instances also the Net Asset Value of the Fund.

***Authorised Participant Concentration Risk***
Only an Authorised Participant may engage in creation or redemption transactions directly with the Funds. Certain Funds have a limited number of institutions that act as Authorised Participants. To the extent that these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to the Funds and no other Authorised Participant is able to step forward to make creation and/or redemption orders, the Shares may trade at a discount to the Funds' Net Asset Value and possibly face delisting.

***Secondary Trading Risk***
The Shares will generally be traded on the main market of the SIX (or LSE) and may be listed or traded on one or more other stock exchanges. There can be no certainty that there will be liquidity in the Shares on any one or more of the stock exchanges or that the market price at which Shares may be traded on a stock exchange will be the same as the Net Asset Value per Share. There can be no guarantee that once the Shares are listed or traded on a stock exchange they will remain listed or traded on that stock exchange.

***Suspension risk on local markets***
In certain markets (including, without limitation, Taiwan), trading on the local exchange may be carried out by one or a small number of local market account holders. If such account holder(s) fail(s) to deliver securities or monies in relation to a trade, there is a risk of suspension in relation to all Funds which effect their trading on the local market through such account holder(s). This risk may be increased where a Fund participates in a securities lending programme. Suspension in either case may increase the costs of the Fund.

**Counterparty and trading risks**

***Counterparty Risk***
The Company will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. This would include the counterparties to any FDI that is entered into by a Fund. Trading in FDI which have not been collateralised gives rise to direct counterparty exposure. The Company mitigates much of its credit risk to its FDI counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any FDI is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. Currency forwards used by the Currency Hedged Funds and Currency Hedged Share Classes to hedge their currency risks are not collateralised and the Currency Hedged Funds and Currency Hedged Share Classes have uncollateralised counterparty exposure to such foreign exchange counterparties in respect of such FDI, subject to the investment limits in Schedules II & III and subject to Currency Hedged Share Classes not being permitted to have over-hedged positions in excess of 105% of

their Net Asset Value. As at the date of this Prospectus, State Street is the sole counterparty for currency forwards used by Currency Hedged Share Classes. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Company maintains an active oversight of counterparty exposure and the collateral management process. Counterparty exposure is subject to the investment restrictions in Schedule III.

***Counterparty Risk to the Depositary and other depositaries***

The Company will be exposed to the credit risk of the Depositary or any depository used by the Depositary where cash or other assets are held by the Depositary or other depositaries. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Cash held by the Depositary and other depositaries will not be segregated in practice but will be a debt owing from the Depositary or other depositaries to the Company as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depositary and/or other depositaries. In the event of the insolvency of the Depositary or other depositaries, the Company will be treated as a general unsecured creditor of the Depositary or other depositaries in relation to cash holdings of the Company. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Fund(s) will lose some or all of their cash. The Company's securities are however maintained by the Depositary and sub-custodians used by the Depositary in segregated accounts and should be protected in the event of insolvency of the Depositary or sub-custodians. The Company may enter into additional arrangements (for example placing cash in money market collective investment schemes) in order to mitigate credit exposure for its cash holdings but may be exposed to other risks as a result.

To mitigate the Company's exposure to the Depositary, the Investment Manager employs specific procedures to ensure that the Depositary is a reputable institution and that the credit risk is acceptable to the Company. If there is a change in Depositary then the new depositary will be a regulated entity subject to prudential supervision with a high credit rating assigned by international credit rating agencies.

***Liability of the Depositary and Responsibility of the Depositary for Sub-Custodians***

The Depositary shall be liable to the Company and its shareholders for the loss by the Depositary or a sub-custodian of financial instruments of the Company held in custody. In the case of such a loss, the Depositary is required, pursuant to the Regulations, to return the financial instrument of an identical type or the corresponding amount to the Company without undue delay, unless the Depositary can prove that the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. This standard of liability only applies to assets capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian and assets capable of being physically delivered to the Depositary.

The Depositary shall also be liable to the Company and its shareholders for all other losses suffered by the Company and/or its shareholders as a result of the Depositary's negligent or intentional failure to fully fulfil its obligations pursuant to the Regulations. In the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary.

The liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party. In the event that custody is delegated to local entities that are not subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction concerned, prior Shareholder notice will be provided advising of the risks involved in such delegation. As noted above, in the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary. Accordingly, while the liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party, in markets where custodial and/or settlement systems may not be fully developed, a Fund may be exposed to sub-custodial risk in respect of the loss of such assets in circumstances whereby the Depositary may have no liability.

***Counterparty risk to the Paying Agent - dividend monies***

The Paying Agent for the Funds is responsible for making dividend payments to Participants on the relevant dividend payment date. Shortly before the dividend payment date, monies for distribution to Participants as dividends will be transferred from the Company's cash accounts with the Depositary to the Paying Agent. During the interim period, dividend monies are held with the Paying Agent (or its associated depositary bank) in the form of cash and the Company will have credit risk exposure, in respect of such cash, to the Paying Agent and its associated depositary bank. Cash held by the Paying Agent will not be segregated in practice but will be a debt owing from the Paying Agent (or its associated depositary bank) to the Company as a depositor. In the event of the insolvency of the Paying Agent (or its associated depositary bank) during the interim period, the Company will be treated as a general unsecured creditor of the Paying Agent (or its associated depositary bank) in relation to the cash. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Company may lose some or all of the dividend monies being distributed by the Paying Agent resulting

in a reduction in the value of a Fund.

***On Exchange Trading***
Where a counterparty to an on exchange trade in the Fund's underlying securities suffers an Insolvency Event, there are risks associated with the recognised investment exchanges and markets themselves set out in Schedule I. There is a risk that the relevant recognised investment exchange or market on which the trade is being conducted will not apply its rules fairly and consistently and that failed trades will be effected notwithstanding the insolvency of one of the counterparties. There is also a risk that a failed trade will be pooled with other failed trades, which may make it difficult to identify a failed trade to which the Fund has been a party. Either of these events may have a negative impact on the value of the Fund.

**Settlement through an International Central Securities Depositary**

***Inaction by the Common Depositary and/or an International Central Securities Depositary***
Investors that settle or clear through an International Central Securities Depositary will not be a registered Shareholder in the Company, they will hold an indirect beneficial interest in such Shares and the rights of such investors, where Participants, shall be governed by their agreement with the applicable International Central Securities Depositary and otherwise by the arrangement with a Participant of the International Central Securities Depositary (for example, their nominee, broker or Central Securities Depositaries, as appropriate). The Company will issue any notices and associated documentation to the registered holder of the Global Share Certificate, the Common Depositary's Nominee, with such notice as is given by the Company in the ordinary course when convening general meetings. The Common Depositary's Nominee has a contractual obligation to relay any such notices received by the Common Depositary's Nominee to the Common Depositary which, in turn, has a contractual obligation to relay any such notices to the applicable International Central Securities Depositary, pursuant to the terms of its appointment by the relevant International Central Securities Depositary. The applicable International Central Securities Depositary will in turn relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Directors understand that the Common Depositary is contractually bound to collate all votes received from the applicable International Central Securities Depositaries (which reflects votes received by the applicable International Central Securities Depositary from Participants) and that the Common Depositary's Nominee is obligated to vote in accordance with such instructions. The Company has no power to ensure the Common Depositary relays notices of votes in accordance with their instructions. The Company cannot accept voting instructions from any persons other than the Common Depositary's Nominee.

***Payments***
With the authorisation of the Common Depositary's Nominee, any dividends declared and any liquidation and mandatory redemption proceeds are paid by the Company or its authorised agent (for example, the Paying Agent) to the applicable International Central Securities Depositary. Investors, where they are Participants, must look solely to the applicable International Central Securities Depositary for their share of each dividend payment or any liquidation or mandatory redemption proceeds paid by the Company or, where they are not Participants, they must look to their respective nominee, broker or Central Securities Depositary (as appropriate, which may be a Participant or have an arrangement with a Participant of the applicable International Central Securities Depositary) for any share of each dividend payment or any liquidation or mandatory redemption proceeds paid by the Company that relates to their investment.

Investors shall have no claim directly against the Company in respect of dividend payments and any liquidation and mandatory redemption proceeds due on Shares represented by the Global Share Certificate and the obligations of the Company will be discharged by payment to the applicable International Central Securities Depositary with the authorisation of the Common Depositary's Nominee.

**Specific investment risks for all Funds**

***Recent Market Events***
Periods of market volatility may occur in response to various political, social and economic events both within and outside of the United States. These conditions have resulted in, and in many cases continue to result in, greater price volatility, less liquidity, widening credit spreads and a lack of price transparency, with many securities remaining illiquid and of uncertain value. Such market conditions may adversely affect the Funds, including by making valuation of some of a Fund's securities uncertain and/or result in sudden and significant valuation increases or declines in the Fund's holdings. If there is a significant decline in the value of a Fund's portfolio, this may impact the asset coverage levels for any outstanding leverage the Fund may have.

Risks resulting from any future debt or other economic crisis could also have a detrimental impact on the global economic recovery, the financial condition of financial institutions and a Fund's business, financial condition and results of operation. Market and economic disruptions have affected, and may in the future affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. To the extent uncertainty regarding the U.S. or global economy negatively impacts consumer confidence and consumer credit factors, a Fund's business, financial condition and results of operations could be significantly and adversely affected. Downgrades to the credit ratings of major banks could result in increased borrowing costs for such banks and negatively affect the broader economy. Moreover, Federal Reserve

policy, including with respect to certain interest rates, may also adversely affect the value, volatility and liquidity of dividend- and interest-paying securities. Market volatility, rising interest rates and/or unfavourable economic conditions could impair a Fund's ability to achieve its investment objective(s).

***Impact of Natural or Man-Made Disasters and Disease Epidemics***
Certain regions are at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organized public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored and operations of the portfolio company can be resumed. A Fund's investments could also be at risk in the event of such a disaster. The magnitude of future economic repercussions of natural disasters may also be unknown, may delay a Fund's ability to invest in certain companies, and may ultimately prevent any such investment entirely.

Investments may also be negatively affected by man-made disasters. Publicity of man-made disasters may have a significant negative impact on overall consumer confidence, which in turn may materially and adversely affect the performance of a Fund's Investments, whether or not such investments are involved in such man-made disaster.

Outbreaks of infectious diseases may also have a negative impact on the performance of a Fund. For example, an infectious respiratory disease caused by a novel coronavirus known as COVID-19 detected in December 2019 gave rise to a global pandemic. This pandemic adversely affected the economies of many nations globally, negatively affecting the performance of individual companies and capital markets. Future epidemics and pandemics could have similar effects, and the extent of their impact cannot be foreseen at the present time.

Moreover, the impact of infectious diseases in certain developing or emerging market countries may be more severe due to less established healthcare systems, as was evident with COVID-19. Health crises caused by infectious diseases can exacerbate existing political, social, and economic risks in these countries leading to prolonged recovery periods and greater investment risks in these regions. The long-term effects of such outbreaks may include increased volatility as investors react to uncertainty and rapidly changing conditions and potential losses in the value of investments.

Governments and regulatory bodies may implement new policies and regulations in response to health crises, which can impact various industries and investment strategies. These responses can include fiscal stimulus, changes in healthcare policies, and adjustments to trade and travel regulations.

***Governmental Intervention Risk***
In response to a recession, economic slowdown or financial market instability, governments and regulators may choose to intervene by implementing austerity measures and reforms, as seen in the 2007-2008 global financial crisis. There is no guarantee that a government or regulatory intervention will work and they may result in social unrest, limit future growth and economic recovery or have unintended consequences. Additionally, government and regulatory intervention have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets.

It is impossible to predict with certainty what temporary or permanent governmental restrictions may be imposed on the markets in the future and/or the effect of such restrictions on the Investment Manager's ability to implement the Funds' investment objectives, the European or global economy or the global securities markets. Instability in the global financial markets or government intervention may increase the volatility of the Funds and hence the risk of loss to the value of your investment.

Funds which invest in the European bond market are directly exposed to intervention by the European Central Bank and governments of relevant European countries, particularly in relation to interest rates and the single European currency. For example, the value of the bonds held by a Fund is likely to decrease if interest rates are increased, and bond pricing complications could arise should a country leave the single European currency or that currency be discontinued completely.

***Issuer Risk***
The performance of a Fund depends on the performance of individual securities to which the Fund has exposure. Any issuer of these securities may perform poorly, causing the value of its securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, expiration of patent protection, disruptions in supply, labour problems or shortages, corporate restructurings, fraudulent disclosures or other factors. Issuers may, in times of distress or at their own discretion, decide to reduce or eliminate dividends, which may also cause their stock prices to decline.

***Money Market Risk***
The Company, with a view to mitigating credit exposure to depositaries, may arrange for cash holdings of the Company (including pending dividend payments) to be placed into money market collective investment schemes, including other funds of the BlackRock Group. A money market collective investment scheme which invests a

significant amount of its assets in money market instruments may be considered as an alternative to investing in a regular deposit account. However, a holding in such a scheme is subject to the risks associated with investing in a collective investment scheme and, while a money market collective investment scheme is designed to be a relatively low risk investment, it is not entirely free of risk. Despite the short maturities and high credit quality of investments of such schemes, increases in interest rates and deteriorations in the credit quality can reduce the scheme's yield and the scheme is still subject to the risk that the value of such scheme's investment can be eroded and the principal sum invested will not be returned in full.

***Securities Lending Risk***
The Company engages in a securities lending programme through the Investment Manager. Securities are lent to borrowers on a title transfer basis, so borrowers are required to return to the Fund securities that are equivalent to those lent, rather than the original securities. When securities are lent to a borrower, there is a risk that the borrower may default on their obligation to return equivalent securities. In order to mitigate this credit risk, the lending of a Fund's securities must be covered by high-quality and liquid collateral received by the Fund under a title transfer arrangement, and such collateral must maintain a market value at all times at least equivalent to the market value of the Fund's securities lent plus a premium.

The market value of securities lent and collateral received can, however, fluctuate over time. As such, credit risk can arise during the life of a loan (for example, where the market value of the collateral falls below the value of the securities lent). A default by the borrower in such circumstances may result in a reduction in the value of the Fund. To mitigate these risks, the Company benefits from a collateral shortfall indemnity provided by BlackRock, whereby the Fund is reimbursed by BlackRock if the value of the collateral received from the borrower does not cover the value of the securities lent by the Fund.

Securities lending involves exposure to certain other risks, including operational risk (such as the risk of losses resulting from problems in the settlement and accounting process), currency risk (such as the risk that in the event of a default by the borrower there may be a shortfall when collateral received by the Fund is denominated in a currency other than the base currency of the Fund due to movements in foreign exchange rates), legal risk (such as the risk that a court declares a contract unenforceable), taxation risk (such as the risk of changes to the status of issuers under applicable laws and regulations, including tax regulations, that may impact the regulatory or tax treatment of loaned securities and could, for example, result in a delay in the payment of dividend equivalent payments owed to a Fund as permitted by applicable law), and market risk (such as the risk that market events, including but not limited to corporate actions, could lead the Fund to lend securities that are trading at a premium due to increased demand, or to recall loaned securities or to lend less or not at all, which could lead to reduced securities lending revenue). In the context of market risk, if a Fund were to lend out securities that are subject to a corporate action and commit to the borrower a particular election as determined by the Investment Manager, the benefit the Fund would receive in respect of committing to such election may or may not be less than the benefit the Fund would have received from making a different election in such corporate action. Investors should also note that a limitation of maximum securities lending levels by a Fund, at a time when demand exceeds those maximum levels, may reduce potential income to a Fund that is attributable to securities lending. Please refer to "Efficient Portfolio Management" for further detail.

There are potential conflicts of interest in managing the securities lending program, including but not limited to: (i) The Investment Manager as securities lending agent may have an incentive to, among other things, increase or decrease the amount of securities on loan, lend particular securities, or accept and/or preference affiliated products as collateral in order to generate additional risk-adjusted fees and/or other potential benefits for the Investment Manager and/or its affiliates; (ii) The Investment Manager as securities lending agent may have an incentive to allocate loans to clients that would provide more revenue to BlackRock; and (iii) an indemnity is offered to certain clients, including the Company, for any collateral shortfall in the event of a borrower's default, so the Investment Manager as securities lending agent may have an incentive to mitigate the possible risk of BlackRock incurring losses under the indemnity by preferencing un-indemnified clients over indemnified clients. BlackRock seeks to mitigate this conflict by providing its securities lending clients with equal lending opportunities over time in order to approximate pro rata allocation.

***Currency Risk***
The Base Currency of a Fund is usually chosen to match the base currency in which its Benchmark Index is valued and this may differ from the currency of the underlying assets of the Benchmark Index. In addition, a Fund's Benchmark Index may comprise multiple-currency underlying assets. Consequently, the Investments of a Fund may be acquired in currencies which are not the Base Currency of the Fund. In addition, certain Funds may have Share Classes which have different Valuation Currencies from the Base Currency of the Fund. Consequently, the Investments of a Share Class may be acquired in currencies which are not the Valuation Currency of the Share Class.

Unless it is the stated intention of the Company to use hedging or other techniques and instruments in any Funds in order to cover currency risk, the fact that Base Currencies, Valuation Currencies and the currencies of Funds' Investments may differ may cause the cost of purchasing or lending such Investments to be affected favourably or unfavourably by fluctuations in the relative exchange rates of the different currencies. For emerging market countries, volatility in currency markets can be heightened.

**Risks specific to Funds focusing on specific markets**

***Concentration Risk***
If the Benchmark Index of a Fund concentrates in a particular country, region, industry, group of industries, sector or specific theme that Fund may be adversely affected by the performance of those securities and may be subject to price volatility. In addition, a Fund that concentrates in a single country, region, industry or group of countries or industries may be more susceptible to any single economic, market, political, sustainability-related or regulatory occurrence affecting that country, region, sector, industry or group of countries or industries. Such a Fund may be more susceptible to greater price volatility when compared to a more diverse fund. This could lead to a greater risk of loss to the value of your investment.

Replicating index Funds which, as per their investment policy, may avail of the higher investment limits set out in section 4 of Schedule III may invest more than 10% and up to 20% of their Net Asset Value in shares issued by the same body in order to replicate their respective Benchmark Indices. This limit may be raised to 35% for a single issuer, where this is justified by exceptional market conditions, for example, market dominance. Market dominance exists where a particular constituent of the Benchmark Index has a dominant position in the particular market sector in which it operates and as such accounts for a large proportion of the Benchmark Index. This means that such a Fund may have a high concentration of investment in one company, or a relatively small number of companies, and may therefore be more susceptible to any single economic, market, political or regulatory occurrence affecting that company or those companies

***Emerging Markets- General***
Emerging markets are subject to special risks associated with investment in an emerging market. The material risks include: generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange control; lack of available currency hedging instruments; abrupt imposition of restrictions on foreign investment; imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; less liquidity and smaller market capitalisations; less well regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; risk of expropriation, nationalisation or confiscation of assets or property; higher inflation; social, economic and political instability and uncertainties; the risk of expropriation of assets and the risk of war. In the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary. Accordingly, while the liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party, in markets where custodial and/or settlement systems may not be fully developed, a Fund may be exposed to sub-custodial risk in respect of the loss of such assets in circumstances whereby the Depositary will have no liability. In the event that custody is delegated to local entities that are not subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, prior Shareholder notice will be provided advising of the risks involved in such delegation. There could be additional impacts on the value of a Fund as a result of sustainability risks, in particular those caused by environmental changes related to climate change, social issues (including relating to labour rights) and governance risk (including but are not limited to risks around board independence, ownership & control, or audit & tax management). Additionally, disclosures or third-party data coverage associated with sustainability risks is generally less available or transparent in these markets.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

*Asia*
The Asian emerging markets countries in which the Funds currently invest include, but are not limited to, the People's Republic of China (PRC), India, Indonesia, Korea, Malaysia, Philippines, Taiwan, and Thailand. These are considered to be emerging markets and are therefore subject to special risks associated with investment in an emerging market country. These include, but are not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange control; imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; less liquidity and smaller market capitalisations; less well regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; higher inflation; social, economic and political uncertainties; custodial and/or settlement systems may not be fully developed which may expose a Fund to sub-custodial risk in circumstances whereby the Depositary will have no liability; the risk of expropriation of assets and the risk of war.

*Latin America*
The Latin American countries in which the Funds currently invest include, but are not limited to, Brazil, Chile, Colombia, Mexico, and Peru. These are considered to be emerging markets and are therefore subject to special risks associated with investment in an emerging market country. These include, but are not limited to: generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange control; imposition of restrictions on the expatriation of funds or other assets; less publicly available information

about issuers; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; less liquidity and smaller market capitalisations; less well regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; higher inflation; social, economic and political uncertainties; custodial and/or settlement systems may not be fully developed which may expose a Fund to sub-custodial risk in circumstances whereby the Depositary will have no liability; the risk of expropriation of assets and the risk of war.

*Investments in Brazil*
On 14 September 2016, the Brazilian tax authorities issued Normative Instruction 1658/16 amending the list of countries considered to be 'low tax jurisdictions' to include Curacao, Saint Martin and Ireland and exclude the Netherlands Antilles and Saint Kitts and Nevis. The changes were effective from 1 October 2016 onwards. As a consequence, Brazilian capital gains tax and increased income withholding tax rates on interest on capital distributions apply to Brazilian securities. Any capital gains tax calculable as a result of portfolio transactions relating to redemptions will be dealt with in accordance with the definition of "Duties and Charges" and may result in an additional spread, which may reduce the net proceeds received for the redemption. Any capital gains tax incurred as a result of portfolio transactions not related to redemptions (e.g. rebalancing) will be borne by the respective Fund.

*Investments in the PRC*
For Funds that invest in or are exposed to investment in the PRC, potential investors should also consider the following risk warnings which are specific to investing in or exposure to the PRC:

- The PRC is one of the world's largest global emerging markets. The economy in the PRC, which has been in a state of transition from a planned economy to a more market orientated economy, differs from the economies of most developed countries and investing in the PRC may be subject to greater risk of loss than investments in developed markets. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, greater risk of market shut down, greater control of foreign exchange and more limitations on foreign investment policy than those typically found in a developed market. There may be substantial government intervention in the PRC economy, including restrictions on investment in companies or industries deemed sensitive to relevant national interests. The PRC government and regulators may also intervene in the financial markets, such as by the imposition of trading restrictions, which may affect the trading of Chinese securities. The companies in which a Fund invests may be held to lower disclosure, corporate governance, accounting and reporting standards than companies in more developed markets. In addition, some of the securities held by a Fund may be subject to higher transaction and other costs, foreign ownership limits, the imposition of withholding or other taxes, or may have liquidity issues which make such securities more difficult to sell at reasonable prices. These factors may have an unpredictable impact on a Fund's investments and increase the volatility and hence the risk of a loss to the value of an investment in a Fund. Furthermore, market interventions may have a negative impact on market sentiment which may in turn affect the performance of the Benchmark Index and, by extension, the performance of a Fund.

- The PRC economy has experienced significant and rapid growth in the past 20 years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the PRC economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth of the PRC economy. Furthermore, the PRC government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities markets in the PRC and therefore on the performance of a Fund. These factors may increase the volatility of any such Fund (depending on its degree of investment in the PRC) and hence the risk of loss to the value of your investment.

***India***
For Funds that invest in or are exposed to investment in India, potential investors should also consider the following risk warnings which are specific to investing in or exposure to India:

- India is located in a part of the world that has historically been prone to natural disasters such as earthquakes, volcanoes and tsunamis and India is economically sensitive to environmental events. In addition, the agricultural sector is an important component of the Indian economy and adverse weather may have a significant negative effect on the Indian economy.

- India has experienced a process of privatisation of certain entities and industries. If the newly privatised companies are unable to adjust quickly to a competitive environment or to changing regulatory and legal standards, investors in such newly privatised entities could suffer losses and this could adversely affect the performance of the Indian market.

- The Indian economy is dependent on commodity prices, which can be volatile and this poses risk of macro-economic instability. The Indian economy is also dependent on the economies of Asia, mainly Japan and

China, and the United States as key trading partners. Reduction in spending on Indian products and services by any of these trading partners or a slowdown or recession in any of these economies could adversely affect the Indian economy.

- India has experienced acts of terrorism and has strained international relations with Pakistan, Bangladesh, China, Sri Lanka and other neighbours due to territorial disputes, historical animosities, terrorism and other defence concerns. These situations may cause uncertainty in the Indian market and may adversely affect performance of the Indian economy.

- Disparities of wealth, the pace of economic liberalisation and ethnic, religious and racial disaffection may lead to social turmoil, violence and labour unrest in India. In addition, India continues to experience religious and border disputes as well as separatist movements in certain Indian states. Unanticipated political or social developments may result in investment losses.

- The Indian government has experienced chronic structural public sector deficits. High amounts of debt and public spending may stifle Indian economic growth, cause prolonged periods of recession or lower India's sovereign debt rating.

- Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD (Organisation for Economic Co-operation and Development) countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that a Fund experiences difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which such a Fund has directly or indirectly invested. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries.

- A Fund, the market price and the liquidity of the Shares may be affected generally by exchange rates and controls, interest rates, changes in Indian governmental policy, taxation, social and religious instability and other political, economic or other developments in or affecting India.

- Although the Indian primary and secondary equity markets have grown rapidly and the clearing, settlement and registration systems available to effect trades on the Indian stock markets have significantly improved with mandatory dematerialisation of shares, these processes may still not be on a par with those in more mature markets. Problems of settlement in India may impact on the Net Asset Value and the liquidity of a Fund.

- SEBI was created under the resolution of the Government of India in April 1992, and performs the function of "promoting the development of and regulation of the Indian securities market, the protection of the interest of shareholders as well as matters connected therewith and incidental thereto". The Securities and Exchange Board of India Act of 1992 has entrusted the SEBI with much wider powers and duties, which inter alia, include prohibition of fraudulent and unfair trade practices relating to the stock markets including insider trading and regulation of substantial acquisitions of shares and takeovers of companies. The Indian stock exchanges have been subject to broker defaults, failed trades and settlement delays in the past and such events may have adverse impact on the Net Asset Value of a Fund. In addition, in the event of occurrence of any of the above events, or in the event of SEBI having reasonable ground to believe that the transactions in securities are being dealt with in a manner detrimental to the investors or the securities market, SEBI can impose restrictions on trading in certain securities, limitations on price movements and margin requirements, which could adversely impact the liquidity of a Fund.

- A disproportionately large percentage of market capitalisation and trading value in the Indian stock exchanges is represented by a relatively small number of issuers. There is a lower level of regulation and monitoring of the Indian securities market and the activities of investors, brokers and other participants as compared to certain OECD markets. It may, therefore, be difficult to invest a Fund's assets so as to obtain a representative portfolio or to realise the Fund's investments at the places and times that it would wish to do so.

- Indian capital gains tax apply to Indian securities. Any capital gains tax calculable as a result of portfolio transactions relating to redemptions will be dealt with in accordance with the definition of "Duties and Charges" and may result in an additional spread, which may reduce the net proceeds received for the redemption. Any capital gains tax incurred as a result of portfolio transactions not related to redemptions (e.g. rebalancing) will be borne by the respective Fund.

*Indian Foreign Portfolio Investors Regulations*
In order for a Fund to invest directly in India, it must seek to register as a Category II FPI under the SEBI Regulations or any equivalent applicable regulations at the time.

In January 2014, the SEBI put in place regulations that impact portfolio investments made by FPIs. These include foreign institutional investors, non-resident Indians and other foreign investors. Under the FPI rules, investors cannot transact in securities as FPIs unless they have been granted registration by depository participants acting on behalf

of the SEBI. To be eligible for FPI status, applicants must meet certain criteria related to their residence, the status of their securities market regulator, the Financial Action Task Force, and other factors. Once granted, registration is permanent unless suspended by the SEBI or surrendered by the FPI. Any change to the FPI regime generally, including the possibility of a Fund losing its FPI status, may affect such a Fund's ability to invest in securities in India. To the extent that a Fund loses its FPI status or laws and regulations change such that the FPI regime is no longer available to it, it will be more difficult for such a Fund to achieve its investment objective. Accordingly, there is a greater risk of tracking error, which may result in a negative or positive performance impact to such a Fund and holders of its Shares.

*General investment restrictions*
Investment by FPIs is restricted to primary and secondary market securities (including listed or to be listed shares, debentures and warrants of companies), listed and unlisted domestic mutual funds and collective investment schemes, derivatives traded on a recognised stock exchange, treasury bills, government securities, commercial papers, various types of debt instruments and units in debt funds, depositary receipts and other instruments specified by the SEBI. Securities lending is also allowed as per the SEBI Regulations. Further requirements exist in respect of transactions in the secondary market.

There are certain investment conditions and restrictions that an FPI would need to comply with including investment in company shares not exceeding 10% of the company's issued capital per single FPI or investor group. The SEBI may introduce further limitations or restrictions on the foreign ownership of securities in India, which may have adverse effects on the liquidity and the performance of a Fund. Such limitations and restrictions may restrict a Fund's ability to acquire the securities of one or more constituents of its Benchmark Index in accordance with the relevant weightings of the Benchmark Index and therefore may impact on a Fund's ability to closely track the performance of its Benchmark Index.

*Broad based fund regime*
In order to be registered as a Category II FPI, under the SEBI Regulations, a Fund will be required to demonstrate that it is an appropriately regulated broad based fund. The Indian broad based fund regime applies to funds established or incorporated outside India, which are eligible on the basis of the fund or its manager(s) being regulated in their respective foreign jurisdiction. A Fund must satisfy the broad based criteria, which include internal review and accessibility of information about underlying investors. These types of funds shall have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. No investor shall hold over 49% of the fund by unit/share number or value. Institutional investors who hold over 49% of the fund must themselves comply with requirements applicable to broad based funds. Underlying beneficial owners who hold over 25% of the fund are required to provide their consent to the FPI registration, and to that end have their client information disclosed to the depository participant/SEBI. To the extent that a Fund might have underlying beneficial owners who fall into this category, it may not be possible for such a Fund to fulfil its investment objective if such consent is required and not provided.

*Licensing in India*
In order to invest physically in Indian securities, a Fund is required to be registered as a Category II FPI under the SEBI Regulations. In order to be registered as a Category II FPI, each Fund is required to demonstrate that it satisfies the following broad based criteria: (i) The Fund must have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. (ii) No investor shall hold over 49% of the Shares or value of the Fund. Institutional investors who hold over 49% of the Shares or value of the Fund must themselves comply with broad based criteria. Underlying beneficial owners who hold over 25% of the Shares or value of the Fund are required to provide their consent to the FPI registration, and to that end have their client information disclosed to the relevant depository participant and Securities and Exchange Board of India. This criteria has been highlighted to investors. To the extent that investors in a Fund do not meet the above criteria or disclosure requirement, the Fund may lose its FPI licence and may no longer be able to invest physically in Indian securities.

***Mexico***
A Fund's investments in Mexican issuers may subject the Fund to legal, regulatory, political, currency, security and economic risk specific to Mexico. Among other things, Mexico's economy is heavily dependent on trading relationships with certain key trading partners, including the United States and certain Latin American countries. Reduction in spending on Mexican products and services, or economic or other changes in the United States or certain Latin American countries, trade regulations or currency exchange rates may have an adverse impact on the Mexican economy.

Mexico is considered to be an emerging market and is therefore subject to special risks associated with investment in an emerging market country including : generally less liquid and less efficient securities markets; generally greater price volatility; imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts due to uncertainty of legal and judicial systems; less liquidity and smaller market capitalisations; less well regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; higher inflation; social, economic and political uncertainties; custodial and/or settlement systems are not fully developed which may expose a Fund to sub-custodial risk in circumstances whereby the Depositary will have no liability; the risk of expropriation of assets i.e. forceful confiscation

and redistribution of private property outside of common law and the risk of war. In addition, there may be a heightened risk of social, economic and political instability.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

***Exposures to Russian investments and the Russian invasion of Ukraine***
Following Russia's invasion of Ukraine in February 2022, significant sanctions against Russia were instituted by the United States, the United Kingdom, and the European Union, along with the regulatory bodies in a number of countries, including Japan, Australia, and Canada. These include prohibitions on transacting or dealing in new investments in the Russian Federation. Retaliatory measures have been taken by Russia, including the freezing of certain Russian assets and trading restrictions on non-Russian investors.

While Benchmark Index providers subsequently removed Russian securities from the Benchmark Indices, certain Funds continue to hold exposures to Russian securities which cannot be divested at this time.

Compliance with applicable sanctions, laws and regulations will impair the ability of a Fund to buy, sell, hold, receive or deliver securities of such issuers or securities subject to, or otherwise affected by, sanctions (Russian securities). While a Fund may be legally permitted to divest or transfer certain Russian securities if and to the extent authorised by a general license, issued by a recognised sanctions authority, other restrictions and/or impaired trading conditions may mean that it remains impracticable or impossible for a Fund to do so.

Where a Fund is unable to eliminate or reduce its holdings of the affected securities, for example, where compliance with sanctions impairs its ability to sell or deliver such securities, the Fund will continue to hold such securities in its portfolio and will retain residual exposure to the Russian securities until it can trade out of them.

It is anticipated that, even as the local Russian market reopens for Russian investors, sanctions against Russian entities and individuals, trading restrictions on non-Russian investors, and/or restrictions on currency conversion and/or repatriation may continue for some time. The absence of normal market trading conditions and the removal of such Russian securities from the Benchmark Indices at zero value means that such investments held by the Funds are currently fair valued to almost zero.

As and when non-local investors are allowed to trade and settle in the Russian stock market and in compliance with applicable law and regulations, including relevant sanctions laws, and under appropriate market conditions, the Investment Manager will seek to implement an orderly and managed disposal of Russian securities, taking into consideration multiple factors including, but not limited to, liquidity, spreads, international investor access, volume and volatility. Due to political and market uncertainties and the fact that it is not possible to predict the optimal time for selling the Russian securities or whether certain securities can be sold at all, there is no guarantee that optimal value, or any value at all, can be achieved. An assessment will be made on the basis of information available to the Investment Manager at the relevant time.

Additionally, the objective of each Fund is to track the relevant Benchmark Index, with an aim of minimising tracking error by the rebalancing of the Fund's portfolio to align with the constituents of its Benchmark Index. The Russian securities have now been removed from the Funds' Benchmark Indices. Consequently, as and when the Russian securities held by the Funds come to be valued at more than zero, this may result in increased tracking error risk and potentially significant tracking error between a Fund's performance and the performance of its Benchmark Index. Further, due to liquidity constraints, Russian securities may become ineligible assets for the Funds. These factors mean that the Funds may be required to dispose of these assets as soon as possible once they can be sold and it may therefore be necessary to dispose of the assets at a lower value than that at which they might otherwise be realised.

A Fund also may not be able to pay out redemption proceeds in respect of the assets which are frozen or may need to liquidate non-restricted assets in order to satisfy redemption orders. The liquidation of a Fund's assets during this time, where practicable, may also result in a Fund receiving substantially lower prices for its securities.

The Directors may (at their discretion) take such action as they consider to be in the interests of investors in Funds, including (if necessary) suspending trading in the Funds (see the section entitled "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" for more details) and/or taking such action as described in the section entitled "Benchmark Indices".

Additional risks related to the holding of Russian securities:

- The laws relating to securities investments and regulations in Russia do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application.

- Rules regulating corporate governance either do not exist or are underdeveloped and offer little protection to minority shareholders.

- There are also counterparty risks in connection with the maintenance of portfolio securities and cash with local sub-custodians and securities depositories in Russia.

These factors may increase the volatility of any such Fund (depending on its degree of investment in Russia) and hence the risk of loss to the value of your investment.

***Investments in Japan***
Japan is located in a part of the world that has historically been prone to natural disasters, such as earthquakes, volcanoes, and tsunamis, and is economically sensitive to environmental events. In addition, the nuclear power plant catastrophe in March 2011 may have short-term and long-term effects on the nuclear energy industry, the extent of which are currently unknown. As with other countries, Japan may be subject to political and economic risks. Political developments may lead to changes in policy which might adversely affect a Fund's investments. The Japanese economy is heavily dependent on foreign trade and can be adversely affected by trade tariffs and other protectionist measures. In addition, some Japanese reporting, accounting and auditing practices vary from the accounting principles generally accepted in other developed countries. Any of these risks, individually or in the aggregate, could result in a significant adverse impact on the Japanese economy and the securities to which a Fund has exposure and, in turn, result in a loss to your investment.

***Potential Implications of Brexit***
On 31 January 2020 the United Kingdom (the "UK") formally withdrew and ceased being a member of the European Union (the "EU"). Following this, the UK entered into a transition period which lasted for the remainder of 2020, during which period the UK was subject to applicable EU laws and regulations. The transition period expired on 31 December 2020, and EU law no longer applies in the UK.

On 30 December 2020, the UK and the EU signed an EU-UK Trade and Cooperation Agreement ("UK/EU Trade Agreement"), which applies from 1 January 2021 and sets out the foundation of the economic and legal framework for trade between the UK and the EU. As the UK/EU Trade Agreement is a new legal framework, the implementation of the UK/EU Trade Agreement may result in uncertainty in its application and periods of volatility in both the UK and wider European markets throughout 2021 and beyond. The UK's exit from the EU is expected to result in additional trade costs and disruptions in this trading relationship. While the UK/EU Trade Agreement provides for the free trade of goods, it provides only general commitments on market access in services together with a "most favoured nation" provision which is subject to many exceptions. Furthermore, there is the possibility that either party may impose tariffs on trade in the future in the event that regulatory standards between the EU and the UK diverge. The terms of the future relationship may cause continued uncertainty in the global financial markets, and adversely affect the performance of the Funds.

Volatility resulting from this uncertainty may mean that the returns of the Funds' investments are affected by market movements, the potential decline in the value of Sterling or Euro, and the potential downgrading of sovereign credit ratings of the UK or an EU member state.

***Euro and Eurozone Risk***
The deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, exacerbated the global economic crisis. There is a continued possibility that Eurozone countries could be subject to an increase in borrowing costs. This situation as well as the United Kingdom's referendum have raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union. The departure or risk of departure from the Euro by one or more Eurozone countries could lead to the reintroduction of national currencies in one or more Eurozone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of a Fund's investments. Investors should carefully consider how any potential changes to the Eurozone and European Union may affect their investment in a Fund.

***Investments in Mid Capitalisation and Smaller Companies***
The securities of mid capitalisation and smaller companies tend to be more volatile and less liquid than the securities of large companies. As securities of mid capitalisation and smaller companies may experience more market price volatility than securities of larger companies, the Net Asset Value of any Funds which invest in smaller companies or mid capitalisation companies may reflect this volatility. Mid capitalisation and smaller companies, as compared with larger companies, may have a shorter history of operations, may not have as great an ability to raise additional capital, may have a less diversified product line making them susceptible to market pressure and may have a smaller public market for their securities.

Investment in mid capitalisation and smaller companies may involve relatively higher investment costs, which may be in part due to increased execution costs caused by reduced liquidity in the underlying market, and accordingly investment in Funds which invest in smaller companies should be viewed as a long-term investment. Such Funds may however dispose of an investment made by it within a relatively short period of time, for example, to meet requests for redemption of Shares.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

In addition, owing to threshold limits on the proportion of shares that BlackRock-managed funds may hold in certain companies (in particular in smaller capitalisation companies), it is possible that a Fund may have to rely more heavily on optimisation techniques than would otherwise be the case.

***Industrials Sector Risk***
The prices of companies in the industrials sector may be affected by supply and demand both for their specific product or service and for industrials sector products in general. Government regulations, labour relations, world events, economic conditions and taxes may affect the performance of companies in the industrials sector. Companies in the industrials sector may be adversely affected by product liability claims, liability for environmental damage and changes in exchange rates. The industrials sector may also be adversely affected by changes or trends in commodity prices, which may be influenced or characterised by unpredictable factors. Manufacturing companies need to keep up with technological advancements or may face the risk of their products becoming uncompetitive or obsolete. Aerospace and defence companies, a component of the industrials sector, rely to a significant extent on demand from governments for their products and services and their financial performance can be significantly affected by government spending policies, especially with governments coming under increasing pressure to control and reduce budget deficits. Transportation companies, another component of the industrials sector, are cyclical and can also be significantly affected by government spending policies. Companies or issuers with high carbon intensity or high switching costs associated with the transition to low carbon alternatives, may be more impacted by climate transition risks. There may also be increased impacts on the value of the investments of a Fund as a result of geographical concentration in locations where the value of the investments of a Fund may be more susceptible to adverse physical climate events, as well as social and governance factors.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

***Energy Sector Investment Risks***
There are a number of factors that could affect performance of the energy sector, including changes in commodity prices. For example, many regions that produce fossil fuel or in which pipes for transporting fossil fuel are located are politically volatile and conflicts in these regions could result in spikes in oil, gas and coal prices. There may also be increased impacts on the value of the investments of a Fund as a result of geographical concentration in locations where the value of the investments of a Fund may be more susceptible to adverse physical climate events, as well as social and governance factors. Markets for various energy-related commodities can have significant volatility, and are subject to control or manipulation by large producers or purchasers. A major terrorist attack or threat could also increase market volatility. Increasing demand, whether from developing countries or cold weather conditions, could have the effect of driving energy prices up. Other factors include (but are not limited to) energy conservation efforts, advances in renewable energy and the transition to clean energy and the costs of such technology, costs of cleaning up accidents and civil liabilities, taxes, governmental regulation on privatisation, pricing and supply and other intervention. Some of the securities in the energy sector may be less liquid than securities in other sectors which may make it more difficult for a Fund to purchase or sell such securities.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

***Financial Sector Investment Risks***
Companies in the financial sector are subject to increasing governmental regulation, government intervention and taxes, which may adversely affect the scope of their activities, the amount of capital they must maintain and their profitability. The financial services sector may also be adversely affected by increases in interest rates and irrecoverable debt, decreases in the availability of funding or asset valuations and adverse conditions in other related markets. The deterioration of the credit markets has caused an adverse impact in the credit and interbank money markets generally, thereby affecting a wide range of financial services institutions and markets. Certain financial services companies have had to accept or borrow significant amounts of money from their governments and thereby face additional government imposed restrictions on their businesses which could have an impact on their performance and value. Insurance companies in particular, may be subject to intense price competition, which may have an adverse impact on their profitability. Companies that invest in real estate may be affected by adverse changes to the conditions of the real estate markets, movements in interest rates, investor confidence, changes in supply and demand for property, costs, availability of mortgage loans, taxes and the impact of environmental and planning laws. The risks faced by companies within the financial sector may have a higher impact on companies that employ substantial financial leverage within their businesses.

**Risk of Investing in the China Interbank Bond Market**

The Funds may invest in the China Interbank Bond Market via the Foreign Access Regime and/or the Bond Connect.

*Investment in China Interbank Bond Market via Foreign Access Regime*

Pursuant to the "Announcement (2016) No 3" issued by the PBOC on 24 February 2016, foreign institutional investors can invest in the China Interbank Bond Market ("Foreign Access Regime") subject to other rules and regulations as promulgated by the PRC authorities.

Under the prevailing regulations in the PRC, foreign institutional investors who wish to invest directly in the China Interbank Bond Market may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation.

*Investment in the China Interbank Bond Market via Northbound Trading Link under Bond Connect*

Bond Connect is a new initiative launched in July 2017 for mutual bond market access between Hong Kong and the PRC established by CFETS, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and HKEX and Central Moneymarkets Unit.

Under the prevailing regulations in the PRC, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect ("Northbound Trading Link"). There will be no investment quota for Northbound Trading Link.

Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.

The Northbound Trading Link refers to the trading platform that is located outside of the PRC and is connected to CFETS for eligible foreign investors to submit their trade requests for bonds circulated in the China Interbank Bond Market through Bond Connect. HKEX and CFETS will work together with offshore electronic bond trading platforms to provide electronic trading services and platforms to allow direct trading between eligible foreign investors and approved onshore dealer(s) in the PRC through CFETS.

Eligible foreign investors may submit trade requests for bonds circulated in the China Interbank Bond Market through the Northbound Trading Link provided by offshore electronic bond trading platforms (such as Tradeweb and Bloomberg), which will in turn transmit their requests for quotation to CFETS. CFETS will send the requests for quotation to a number of approved onshore dealer(s) (including market makers and others engaged in the market making business) in the PRC. The approved onshore dealer(s) will respond to the requests for quotation via CFETS and CFETS will send their responses to those eligible foreign investors through the same offshore electronic bond trading platforms. Once the eligible foreign investor accepts the quotation, the trade is concluded on CFETS.

On the other hand, the settlement and custody of bond securities traded in the China Interbank Bond Market under Bond Connect will be done through the settlement and custody link between the Central Moneymarkets Unit, as an offshore custody agent, and the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House, as onshore custodian and clearing institutions in the PRC. Under the settlement link, China Central Depository & Clearing Co., Ltd or Shanghai Clearing House will effect gross settlement of confirmed trades onshore and the Central Moneymarkets Unit will process bond settlement instructions from Central Moneymarkets Unit members on behalf of eligible foreign investors in accordance with its relevant rules. Since the introduction in August 2018 of delivery versus payment (DVP) settlement in respect of Bond Connect, the movement of cash and securities is carried out simultaneously on a real time basis.

Pursuant to the prevailing regulations in the PRC, the Central Moneymarkets Unit, being the offshore custody agent recognised by the Hong Kong Monetary Authority open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (i.e., the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner. Therefore, a Fund will be exposed to custody risks with respect to Central Moneymarkets Unit. In addition, as the relevant filings, registration with the People's Bank of China, and account opening have to be carried out by third parties, including Central Moneymarkets Unit, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and CFETS, a Fund is subject to the risks of default or errors on the part of such third parties.

The precise nature and rights of a Fund as the beneficial owner of the bonds traded in the China Interbank Bond Market through Central Moneymarkets Unit as nominee is not well-defined under PRC law. There is a lack of a clear definition of, and distinction between, legal ownership and beneficial ownership under PRC law and there have been few cases involving a nominee account structure in the PRC courts. The exact nature and methods of enforcement of the rights and interests of a Fund under PRC law are also uncertain.

***Volatility and Liquidity Risk***

Market volatility and potential lack of liquidity due to low trading volume of certain bonds in the China Interbank Bond Market may result in prices of certain bonds traded on such market fluctuating significantly. A Fund investing in such market is therefore subject to liquidity and volatility risks. The bid-ask spreads of the prices of such securities may be large, and a Fund may therefore incur significant costs and may suffer losses when selling such investments.

The bonds traded in the China Interbank Bond Market may be difficult or impossible to sell, which may impact a Fund's ability to acquire or dispose of such securities at their expected prices.

***Regulatory Risks***
Investing in the China Interbank Bond Market through Bond Connect is also subject to regulatory risks. The relevant rules and regulations are subject to change, which may have potential retrospective effect, and there can be no assurance that Bond Connect will not be discontinued or abolished. Furthermore, the securities regimes and legal systems of China and Hong Kong differ significantly and issues may arise based on these differences. In the event that the relevant authorities suspend account opening or trading on the China Interbank Bond Market, a Fund's ability to invest in the China Interbank Bond Market will be adversely affected and limited. In such event, a Fund's ability to achieve its investment objective will be negatively affected and, after exhausting other trading alternatives, the Fund may suffer substantial losses as a result. Further, if Bond Connect is not operating, a Fund may not be able to acquire or dispose of bonds through Bond Connect in a timely manner, which could adversely affect the Fund's performance.

Chinese companies, such as those in the financial services or technology sectors, and potentially with other sectors in the future, are also subject to the risk that Chinese authorities can intervene in their operations and structure, which may negatively affect the value of a Fund's investments.

***System Failure Risks for Bond Connect***
Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fails to function properly, trading through Bond Connect may be disrupted. A Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where a Fund invests in the China Interbank Bond Market through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems.

***Renminbi Currency Risks***
Bond Connect trades are settled in Chinese currency, the renminbi ("RMB"), which is currently restricted and not freely convertible. As a result, a Fund will be exposed to currency risk, and it cannot be guaranteed that investors will have timely access to a reliable supply of RMB.

***Tax Risk***
Under prevailing tax regulations, a 10% withholding tax is imposed on PRC-sourced dividends and interest from non-government bonds paid to the relevant Fund unless the rate is reduced under an applicable tax treaty.

From 1 May 2016, Value Added Tax (VAT) is levied on certain income derived by the relevant Fund, including interest income from non-government bonds and trading gains, unless specifically exempted by the PRC tax authorities. VAT exemptions currently apply to debt securities traded in the China Interbank Bond Market.

On 22 November 2018, the PRC's Ministry of Finance and State Administration of Taxation jointly issued Circular 108 providing foreign institutional investors with a temporary exemption from withholding income tax and VAT with respect to interest income derived from non-government bonds in the domestic bond market for the period from 7 November 2018 to 6 November 2021. Circular 108 is silent on the PRC tax treatment with respect to non-government bond interest derived prior to 7 November 2018.

There is a risk the PRC tax authorities may withdraw the temporary tax exemptions in the future and seek to collect withholding income tax and VAT on interest income from non-government bonds to the relevant Fund without prior notice. If the tax exemptions are withdrawn, any taxes arising from or to the relevant Fund may be directly borne by or indirectly passed on to the Fund and may result in a substantial impact to its Net Asset Value. As with any Net Asset Value adjustment, investors may be advantaged or disadvantaged depending on when the investors purchased or sold Shares of the Fund.

Any changes in PRC tax law, future clarifications thereof, and/or subsequent retroactive enforcement by the PRC tax authorities may result in a loss which could be material to the relevant Fund. The Investment Manager will keep the provisioning policy for tax liability under review and may, in its discretion from time to time, make a provision for potential tax liabilities if in its opinion such provision is warranted or as further publicly clarified by the PRC.

**Risks related to Investment in the PRC via the Stock Connect**

In addition to the risk factors under the heading "**Investment in the PRC**" and other applicable risk factors, the following risk factors apply to the Stock Connect Funds:

***Stock Connect***
Funds investing in the PRC may invest in China A Shares trading on the SSE and SZSE via Stock Connect ("Northbound Trading"). The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, SSE and ChinaClear and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links

program developed by HKEX, SZSE and ChinaClear. The aim of Stock Connect is to achieve mutual stock market access between the PRC and Hong Kong.

HKSCC, a wholly-owned subsidiary of HKEX, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A Shares traded through Stock Connect are issued in scripless form, and investors will not hold any physical China A Shares.

Although HKSCC does not claim proprietary interests in the SSE and SZSE securities held in its omnibus stock accounts in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE and SZSE securities.

Under the Stock Connect, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle SSE securities and SZSE securities. Further information about the trading fees and levies is available online at the website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

Investing in China A Shares via Stock Connect bypasses the requirement to obtain RQFII status which is required for direct access to the SSE and SZSE.

***Quota Limitations***
Investing in the PRC via Stock Connect is subject to quota limitations which apply to the Investment Manager. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Stock Connect Fund's ability to invest in China A Shares through the Stock Connect on a timely basis, and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

***Legal / Beneficial Ownership***
The China A Shares invested in via the Stock Connect will be held by the Depositary/sub-custodian in accounts in the CCASS maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the China A Shares, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connect Funds. The precise nature and rights of the Stock Connect Funds as the beneficial owners of the China A Shares through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore the exact nature and methods of enforcement of the rights and interests of the Stock Connect Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the China A Shares will be regarded as held for the beneficial ownership of the Stock Connect Funds or as part of the general assets of HKSCC available for general distribution to its creditors.

For completeness, the CSRC has provided information titled "*FAQ on Beneficial Ownership under SH-HK Stock Connect*" dated 15 May 2015 in relation to beneficial ownership (the "FAQ"). The relevant sections from the FAQ have been extracted and reproduced below:

> ***Do overseas investors enjoy proprietary rights in the SSE Securities acquired through the Northbound Trading Link as shareholders? Are the concepts of "nominee holder" and "beneficial owner" recognized under Mainland China law?***
>
> *Article 18 of the Administrative Measures for Registration and Settlement of Securities (the "Settlement Measures") states that "securities shall be recorded in the accounts of the securities holders, unless laws, administrative regulations or CSRC rules prescribe that the securities shall be recorded in accounts opened in the name of nominee holders". Hence, the Settlement Measures expressly provides for the concept of nominee shareholding. Article 13 of the Certain Provisions on Shanghai-Hong Kong Stock Connect Pilot Program (the "CSRC Stock Connect Rules") states that shares acquired by investors through the Northbound Trading Link shall be registered in the name of HKSCC and that "investors are legally entitled to the rights and benefits of shares acquired through the Northbound Trading Link". Accordingly, the CSRC Stock Connect Rules have expressly stipulated that, in Northbound trading, overseas investors shall hold SSE Securities through HKSCC and are entitled to proprietary interests in such securities as shareholders.*
>
> ***How do overseas investors bring legal action in the Mainland China to realise their rights over the SSE Securities acquired through the Northbound Trading Link?***

*Mainland China law does not expressly provide for a beneficial owner under the nominee holding structure to bring legal proceedings, nor does it prohibit a beneficial owner from doing so. As we understand, HKSCC, as the nominee holder of the SSE Securities in Northbound Trading Link, may exercise shareholder rights and take legal actions on behalf of overseas investors. In addition, Article 119 of the Civil Procedure Law of the People's Republic of China states that "the claimant in a legal action shall be an individual, legal person or any other organization that has a direct interest in the relevant case". As long as an overseas investor can provide evidential proof of direct interest as a beneficial owner, the investor may take legal actions in its own name in Mainland China courts.*

***Clearing and Settlement Risk***
HKSCC and ChinaClear have established the clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in respect of China A-Shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Stock Connect Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

***Suspension Risk***
It is contemplated that the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator will be sought before a suspension is triggered. Where a suspension is effected, the relevant Stock Connect Fund's ability to access the PRC market will be adversely affected.

***Differences in Trading Day***
The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it is possible that there are occasions when it is a normal trading day for the PRC market but the Stock Connect Funds cannot carry out any China A Shares trading via the Stock Connect. The Stock Connect Funds may be subject to a risk of price fluctuations in China A Shares during the time when any of the Stock Connect is not trading as a result.

***Restrictions on Selling Imposed by Front-end Monitoring***
PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a Stock Connect Fund intends to sell certain China A Shares it holds, it must transfer those China A Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. A Stock Connect Fund may request its custodian to open a Special Segregated Account ("SPSA") in CCASS to maintain its holdings in SSE and SZSE securities, in which case it will only need to transfer SSE or SZSE securities from its SPSA to its designated broker's account after execution and not before placing the sell order.

To the extent a Stock Connect Fund is unable to utilize the SPSA model, it would have to deliver SSE or SZSE securities to its brokers before the market opens on the trading day. Accordingly, if there are insufficient China A Shares in the Stock Connect Fund's account before the market opens on the trading day, the sell order will be rejected, which may adversely impact the Stock Connect Fund's performance.

***Operational Risk***
The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The relevant Stock Connect Fund's ability to access the China A Share market (and hence to pursue its investment strategy) may be adversely affected.

***Regulatory Risk***
The current regulations that govern Stock Connect are subject to change and there can be no assurance that the Stock Connect will not be discontinued. New regulations may be issued from time to time by the regulators / stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. Stock Connect Funds may be adversely affected as a result of such changes.

Chinese companies, such as those in the financial services or technology sectors, and potentially other sectors in the future, are also subject to the risk that Chinese authorities can intervene in their operations and structure, which may negatively affect the value of a Fund's investments.

***Recalling of Eligible Stocks***
When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but is restricted from being bought. This may restrict the ability of the relevant Stock Connect Fund to acquire the shares of one or more constituents of its Benchmark Index and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

***No Protection by Investor Compensation Fund***
Investment in China A Shares via the Stock Connect is conducted through brokers, and is subject to the risk of default by such brokers in their obligations. Investments of Stock Connect Funds are not covered by Hong Kong's investor compensation fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Since default matters in respect of China A Shares invested in via the Stock Connect do not involve products listed or traded on the SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the investor compensation fund. Therefore the Stock Connect Funds are exposed to the risks of default of the broker(s) it engages in its trading in China A Shares through the Stock Connect.

***Taxation Risks***
The PRC tax authorities have also made announcements that gains derived from China A Shares' investments via the Stock Connect would be temporarily exempted from PRC taxation effective from 17 November 2014. This temporary exemption applies to China A Shares generally, including shares in PRC 'land-rich' companies. The duration of the period of temporary exemption has not been stated and may be subject to termination by the PRC tax authorities with or without notice and, in the worst case, retrospectively. If the temporary exemption is withdrawn the relevant Stock Connect Funds would be subject to PRC taxation in respect of gains on China A Shares and the resultant tax liability would eventually be borne by investors. However, this liability may be mitigated under the terms of an applicable tax treaty, and if so, such benefits will also be passed to investors.

***Settlement Mode under the SPSA model***
Under the normal Delivery Versus Payment (DVP) settlement mode, stock and cash settlement will take place on T+0 between clearing participants (i.e. brokers and custodian or a custodian participant) with a maximum window of 4 four hours between stocks and cash movement. This applies to settlement in CNH (offshore Renminbi) only and on the condition that the brokers support same-day Chinese Renminbi cash finality. Under the Real time Delivery Versus Payment (RDVP) settlement mode introduced in November 2017, stock and cash movement will take place real time, however, the use of RDVP is not mandatory. The clearing participants must agree to settle the transaction using RDVP and indicate RDVP on the settlement instruction in a specific field. If either of the clearing participants are unable to settle the trades using RDVP, there is a risk that the trades could fail and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

**Risks related to investment in Equity Funds**

***Equity Securities***
The value of equity securities fluctuates daily and a Fund investing in equities could incur significant losses. The prices of equities can be influenced by factors affecting the performance of the individual companies issuing the equities, as well as by daily stock market movements, and broader economic and political developments, including trends in economic growth, inflation and interest rates, corporate earnings reports, demographic trends and natural disasters.

***Depository Receipts***
ADRs and GDRs are designed to offer exposure to their underlying securities.

In certain situations, the Investment Manager may use ADRs and GDRs to provide exposure to underlying securities within the Benchmark Index, for example where the underlying securities cannot be, or are unsuitable to be, held directly, where direct access to the underlying securities is restricted or limited or where depository receipts provide a more cost or tax efficient exposure. However, in such cases the Investment Manager is unable to guarantee that a similar outcome will be achieved to that if it were possible to hold the securities directly, due to the fact ADRs and GDRs do not always perform in line with the underlying security.

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk

that the value of the ADR or GDR will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Investment Manager cannot, or it is not appropriate to, invest in an ADR or GDR, or the characteristics of the ADR or GDR do not exactly reflect the underlying security.

In the event that a Fund invests in ADRs or GDRs in the circumstances set out above, the Fund's tracking of the Benchmark Index may be impacted, i.e. there is a risk that the Fund's return varies from the return of the Benchmark Index.

**Risks related to investment in Fixed Income Funds**

***Government Bonds***
A Fund may invest in government bonds which pay a fixed rate of interest (also known as the 'coupon') and behave similarly to a loan. These bonds are therefore exposed to changes in interest rates which will affect their value. In addition, periods of low inflation will mean the positive growth of a government bond fund may be limited.

Investments in government bonds may be subject to liquidity constraints and periods of significantly lower liquidity in difficult market conditions. Therefore it may be more difficult to achieve a fair value on purchase and sale transactions which may cause the Manager not to proceed with such transactions. As a result, changes in the value of the Fund's investments may be unpredictable.

***Sovereign, Quasi-sovereign and Local Authority Debt***
Sovereign debt includes securities issued by or guaranteed by a sovereign government. Quasi-sovereign debt includes securities issued by or guaranteed by or sponsored by an entity affiliated with or backed by a sovereign government. In some instances, the constituents of a Benchmark Index may include local authority debt securities issued by or guaranteed by or sponsored by an entity which is either a local authority or affiliated with or backed by a local authority entity. The entity that controls the repayment of sovereign, quasi-sovereign or local authority debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. The entity's ability to repay the principal and/or interest due in a timely manner may be affected by, among other factors, its cash flow, the extent of its foreign reserves (where relevant), the availability of sufficient foreign exchange on the date a payment is due, the state of its country's economy, the relative size of the debt service burden to the economy as a whole, restrictions on its ability to raise more cash, the entity's policy towards the International Monetary Fund and the political constraints to which the entity may be subject. Such entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on such entities' implementation of economic reforms and/or economic performance and the timely service of such debtors' obligations. Failure to implement such reforms, achieve such levels of economic performance or repay the principal and/or interest when due may result in the cancellation of such third parties' commitments to lend funds to the entities, which may further impair such debtors' ability to service their debt on a timely basis. Consequently, such entities may default on their sovereign, quasi-sovereign or local authority debt. Holders of sovereign, quasi-sovereign or local authority debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to such entities. Quasi-sovereign and local authority debt obligations are typically less liquid and less standardised than sovereign debt obligations. There is a possibility that there may not be a bankruptcy proceeding by which this debt may be collected in whole or in part. Banks, Governments and companies (including within the EEA) invest in each other so if one member state performs poorly, the other countries could be impacted. If one country defaults on its debt obligations, other countries could be at risk.

***Corporate Bonds***
A corporate bond Fund may invest in corporate bonds issued by companies within a range of credit worthiness if the relevant Fund's Benchmark Index does not apply any minimum credit rating requirement to its constituents.

Corporate bonds may be upgraded or downgraded from time to time due to a perceived increase or reduction in the credit worthiness of the companies issuing the bonds.

Where the Benchmark Index of a Fund imposes specific credit rating requirements for bonds to be included in the Benchmark Index (e.g. investment grade bonds or non / sub investment grade bonds) and bonds that make up the Benchmark Index are downgraded, upgraded or have their credit ratings withdrawn by the relevant credit rating agencies such that they no longer meet the credit rating requirements of the Benchmark Index, the Fund may continue to hold the relevant bonds until such time as these bonds cease to form part of the Fund's Benchmark Index and the Fund's position in such bonds can be liquidated. Sub-investment grade bonds are generally riskier investments, involving a higher risk of default by the issuer, than investment grade bonds. A default by the issuer of a bond is likely to result in a reduction in the value of that Fund.

Although a Fund may invest in bonds that are traded on the secondary market, the secondary market for corporate bonds can often be illiquid and therefore it may be difficult to achieve fair value on purchase and sale transactions.

Cash interest rates vary over time. The price of bonds will generally be affected by changing interest rates and credit spread which in turn may affect the value of your investment. Bond prices move inversely to interest rates, so generally speaking the market value of a bond will decrease as interest rates increase. The credit rating of an issuing

company will generally affect the yield that can be earned on a bond; the better the credit rating the smaller the yield.

***Floating Rate Notes Risk***
Securities with floating or variable interest rates can be less sensitive to interest rate changes than securities with fixed interest rates, but may decline in value if their coupon rates do not reset as high, or as quickly, as comparable market interest rates. Although floating rate notes are less sensitive to interest rate risk than fixed rate securities, they are subject to credit and default risk, which could impair their value.

***Covered Bonds***
Where a Fund invests in covered bonds, the Investment Manager will seek to invest in high quality bonds or as otherwise required in accordance with the relevant benchmark index. There is, however, no guarantee that such covered bonds will be free from counterparty default and the risks associated with counterparty default apply. Any deterioration in the assets backing a bond may result in a reduction in the value of the bond and, therefore, the relevant Fund. Additionally, a default by the issuer of a bond may result in a reduction in the value of the relevant Fund.

The price of bonds will generally be affected by changing interest rates and credit spreads.

***Illiquidity of Bonds Close to Maturity***
In addition to the liquidity risks of bonds already described above, there is a risk that bonds which are nearing maturity may become illiquid. In such cases, it may become more difficult to achieve fair value on the purchase and sale thereof.

***Duration Risk***
Duration is a measure of the sensitivity of the price (the value of principal) of a bond to a change in interest rates and is expressed in number of years. Where a Fund invests in bonds, it is subject to the risk that the value of its investments will change due to a change in the level of interest rates. Rising interest rates typically result in falling bond prices, whereas declining interest rates generally lead to rising bond prices.

Bonds with longer maturities generally have higher durations. The higher the duration, the greater the bond's sensitivity to interest rate fluctuations.

***Depository Notes***
GDNs are designed to offer exposure to their underlying securities.

In certain situations, the Investment Manager may use GDNs to provide exposure to underlying securities within the Benchmark Index, for example where the underlying securities cannot be, or are unsuitable to be, held directly, where direct access to the underlying securities is restricted or limited or where depository notes provide a more cost or tax efficient exposure. However, in such cases the Investment Manager is unable to guarantee that a similar outcome will be achieved to that if it were possible to hold the securities directly, due to the fact GDNs do not always perform in line with the underlying security.

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk that the value of the GDN will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Investment Manager cannot, or it is not appropriate to, invest in a GDN, or the characteristics of the GDN do not exactly reflect the underlying security.

In the event that a Fund invests in GDNs in the circumstances set out above, the Fund's tracking of the Benchmark Index may be impacted, i.e. there is a risk that the Fund's return varies from the return of the Benchmark Index.

***Structured Finance and Other Securities***
A Fund may be exposed directly or indirectly to Structured Finance Securities and other assets which involve substantial financial risk, including distressed debt and low quality credit securities, asset-backed securities and credit-linked securities. These securities may entail a higher liquidity risk than exposure to sovereign or corporate bonds. The Fund's primary credit risk would be to the issuer of the Structured Finance Security.

***Fixed Income Transferable Securities***
Debt securities are subject to both actual and perceived measures of creditworthiness. The amount of credit risk may be assessed using the issuer's credit rating which is assigned by one or more independent rating agencies. This does not amount to a guarantee of the issuer's creditworthiness but provides an indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. Companies often issue securities which are ranked in order of seniority which in the event of default would be reflected in the priority in which investors might be paid back. The "downgrading" of an investment grade rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market.

A Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect the Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Fund may experience losses and incur costs.

***Illiquidity and Quality of Mortgage-Backed Instruments***
In addition to the risks associated with trading in FDI, there is a risk that mortgage-backed instruments may become illiquid. Additionally, the quality of mortgage pools may change from time to time. It may therefore, become more difficult to achieve fair value on the purchase and sale of such instruments.

***Bank Corporate Bonds***
Corporate bonds issued by a financial institution may be subject to the risk of a write down or conversion (i.e. "bail-in") by a relevant authority in circumstances where the financial institution is unable to meet its financial obligations. This may result in bonds issued by such financial institution being written down (to zero), converted into equity or alternative instrument of ownership, or the terms of the bond may be varied. 'Bail-in' risk refers to the risk of relevant authorities exercising powers to rescue troubled banks by writing down or converting rights of their bondholders in order to absorb losses of, or recapitalise, such banks. Investors should be alerted to the fact that relevant authorities are more likely to use a "bail-in" tool to rescue troubled banks, instead of relying on public financial support as they have in the past. Relevant authorities now consider that public financial support should only be used as a last resort after having assessed and exploited, to the maximum extent practicable, other resolution tools, including the "bail-in" tool. A bail-in of a financial institution is likely to result in a reduction in value of some or all of its bonds (and possibly other securities) and a Fund holding such securities when a bail-in occurs will also be similarly impacted.

**Risks specific to iShares FTSE Italia Mid-Small Cap UCITS ETF (referred to in this section as the "Fund")**

***Italian PIR Regime***
The Fund intends to comply with the requirements of the PIR regime, the long-term individual savings plan framework introduced in Italy through the 2017 Budget Act, by tracking its Benchmark Index. Factors that may affect the Fund's ability to comply with the PIR regime include updates to the index provider's methodology, the delisting or changes in the incorporation of the securities held by the Fund, or the securities no longer meeting the criteria prescribed by the PIR regime. Where securities are existing constituents of the Benchmark Index, they will remain in the Benchmark Index and therefore continue to be held by the Fund until they are removed from the Benchmark Index at the next scheduled rebalancing. The Fund may also hold other securities in extenuating circumstances in addition to the constituents within the Benchmark Index. The Investment Manager may manage these events at its discretion.

Additionally, the regulatory framework of the PIR regime may be subject to change from time to time which may in turn result in a change to the Benchmark Index or investment policy to be made, subject to the approval of the Central Bank.

**Risks specific to iShares Russell 1000 Growth UCITS ETF (referred to in this section as the "Fund")**

***Growth Securities***
Index tracking funds represent a passively managed, diversified portfolio that delivers the general performance trend of the relevant market by tracking market indices. The Fund, whilst also still passively managed, is structured to target a precise characteristic, namely high growth.

While the Benchmark Index for the Fund may select securities that are components of a starting universe, it is likely to have a different composition to its starting universe as it aims to capture a specific and well-defined risk characteristic and to offer investors a targeted exposure. The Benchmark Index is likely to perform differently and have a different risk and volatility profile from the starting universe due to its focus on growth. The Fund may therefore provide different returns than a fund tracking the starting universe and may also generally perform better or worse than other funds tracking the same starting universe.

Although the Benchmark Index of the Fund was created to select securities within its starting universe for their higher growth potential, there is no guarantee that this strategy will be successful. Securities that previously exhibited high growth may not experience continued positive growth or may experience more volatility than the market as a whole. Many factors can affect the performance of a security, and the impact of these factors on a security or its price can be difficult to predict.

**Risks specific to iShares Russell 1000 Value UCITS ETF (referred to in this section as the "Fund")**

***Value Securities***

Index tracking funds represent a passively managed, diversified portfolio that delivers the general performance trend of the relevant market by tracking market indices. The Fund, whilst also still passively managed, is structured to target a precise characteristic, namely high value.

While the Benchmark Index for the Fund may select securities that are components of a starting universe, it is likely to have a different composition to its starting universe as it aims to capture a specific and well-defined risk characteristic and to offer investors a targeted exposure. The Benchmark Index is likely to perform differently and have a different risk and volatility profile from the starting universe due to its focus on value. The Fund may therefore provide different returns than a fund tracking the starting universe and may also generally perform better or worse than other funds tracking the same starting universe.

Although the Benchmark Index of the Fund was created to seek exposure to good value securities within its starting universe, there is no guarantee that all (or even some) of the securities identified in accordance with the index methodology will provide good value. There is no guarantee that historical performance will continue in the future or that analysts' views on future earnings will be correct. Securities issued by companies that may be perceived as undervalued may fail to appreciate in value. Many factors can affect the performance of a security, and the impact of these factors on a security or its price can be difficult to predict.

**Risks specific to the following Funds registered for marketing in France: iShares MSCI EMU Paris-Aligned Climate UCITS ETF, iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF and iShares S&P 500 Paris-Aligned Climate UCITS ETF**

***AMF ESG Rules***
The AMF ESG Rules set out ESG measurable objectives that certain Funds marketed in France and which have an ESG strategy supported by a significantly engaging methodology must incorporate into their investment policy (the "**AMF Measurable Objectives**"). Although the index provider's index methodology may not explicitly integrate the AMF Measurable Objectives, the Investment Manager is of the view that, by passively tracking their Benchmark Indices, the relevant Funds should be able to meet the AMF Measurable Objectives based on the current methodology of their Benchmark Indices. Investors should note that the Directors may take such action as they consider to be necessary, including substituting another index for a Fund's Benchmark Index as described in the section entitled "Benchmark Indices", to the extent that a future rebalancing of, or change to, a Fund's Benchmark Index by its index provider would result in the Fund ceasing to comply with the AMF Measurable Objectives.

**Risks specific to investing in Currency Hedged Funds and Currency Hedged Share Classes**

***Currency Hedged Funds and Currency Hedged Share Classes***
Investors should be aware that currency hedging may adversely affect the returns on their investment due to transaction costs and spreads, market inefficiency, risk premia and other factors which may be material in the case of certain currencies and/or over the long term.

Currency Hedged Funds and Currency Hedged Share Classes use forward FX contracts and spot FX contracts to reduce or minimise the risk of currency fluctuations between, in the case of a Currency Hedged Fund, the currencies of the constituent securities of its Benchmark Index against its Base Currency and, in the case of a Currency Hedged Share Class, its underlying portfolio currency exposures against its Valuation Currency. In circumstances where the Base Currency of a Currency Hedged Fund or the Valuation Currency of a Currency Hedged Share Class is generally strengthening against the currency exposures being hedged (i.e. the currencies of the constituent securities of a Currency Hedged Fund's Benchmark Index or the underlying portfolio currency exposures of a Currency Hedged Share Class), currency hedging may protect investors in the relevant Currency Hedged Fund or Share Class against such currency movements. However, where the Base Currency of a Currency Hedged Fund or the Valuation Currency of a Currency Hedged Share Class is generally weakening against the currency exposures being hedged, currency hedging may preclude investors from benefiting from such currency movements. Investors should only invest in a Currency Hedged Fund or a Currency Hedged Share Class if they are willing to forego potential gains from appreciations in the currencies of the constituent securities of a Currency Hedged Fund's Benchmark Index or the underlying portfolio currency exposures of a Currency Hedged Share Class against the Currency Hedged Fund's Base Currency or the Currency Hedged Share Class' Valuation Currency respectively.

While currency hedging is likely to reduce currency risk in the Currency Hedged Funds and Currency Hedged Share classes, it is unlikely to completely eliminate currency risk.

Currency Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could reduce the ability of the Currency Hedged Share Class to reduce its currency risk and the volatility of such Currency Hedged Share Class.

***Currency Hedged Funds Tracking Currency Hedged Benchmark Indices***
In accordance with the hedging methodology of the Currency Hedged Funds' Benchmark Indexes (see "Fund Descriptions" above), the foreign currency hedge of each relevant Currency Hedged Fund is reset at the end of each month using one-month forward contracts. Whilst the hedge is proportionately adjusted for net subscription and redemptions in the relevant Currency Hedged Fund, no adjustment is made to the hedge during the month to account

for the price movements of underlying securities held by the relevant Currency Hedged Fund, corporate events affecting such securities, or additions, deletions or any other changes to the constituents of the Fund's Benchmark Index. During the period between each foreign currency hedge reset at month-end, the nominal amount of the hedge may not match exactly the foreign currency exposure of the relevant Currency Hedged Fund. Depending on whether the assets in each currency in the Benchmark Index have appreciated or depreciated between each hedge reset, the foreign currency exposure for that currency in the relevant Currency Hedged Fund may be under-hedged or over-hedged respectively.

Gains or losses from the foreign currency hedge of the relevant Currency Hedged Fund will not be reinvested or covered until the hedge is reset at month-end. In the event that there is a loss on the relevant Currency Hedged Fund's foreign currency hedge prior to a reset at month-end, the relevant Currency Hedged Fund (by virtue of the hedging methodology used by its Benchmark Index) will have an exposure to securities which will exceed the Net Asset Value of the relevant Currency Hedged Fund as the Fund's Net Asset Value comprises both the value of the Fund's underlying securities plus the unrealised loss on the foreign currency hedge. Conversely, in the event that there is a gain on the relevant Currency Hedged Fund's foreign currency hedge prior to reset at month-end, the relevant Currency Hedged Fund will have a lower exposure to securities than its Net Asset Value as, in this case, the relevant Currency Hedged Fund's Net Asset Value will include an unrealised gain on the foreign currency hedge. When the foreign currency hedge is reset at month-end, any such difference will be materially addressed. The Investment Manager is seeking to deliver to investors a return reflective of the return of the benchmark index which incorporates a hedging methodology. Therefore the Investment Manager has no discretion to alter or vary the hedging methodology used by the relevant Currency Hedged Fund.

***Currency Hedged Share Classes***
Currency Hedged Share Classes use a currency hedging approach whereby the hedge is proportionately adjusted for net subscriptions and redemptions in the relevant Currency Hedged Share Class. An adjustment is made to the hedge to account for the price movements of the underlying securities held for the relevant Currency Hedged Share Class, corporate events affecting such securities, or additions, deletions or any other changes to the underlying portfolio holdings for the Currency Hedged Share Class, however, the hedge will only be reset or adjusted on a monthly basis and as and when a pre-determined tolerance is triggered intra-month, and not whenever there is market movement in the underlying securities. In any event, any over-hedged position arising in a Currency Hedged Share Class will be monitored daily and is not permitted to exceed 105% of the Net Asset Value of that Share Class as prescribed by the Central Bank UCITS Regulations. Under-hedged positions shall not fall short of 95% of the portion of the net asset value of the relevant Currency Hedged Share Class that is to be hedged against currency risk.

The aggregate gain or loss arising from the hedging positions of a Currency Hedged Share Class will be reduced by an adjustment to some or all of the currency hedges only on a monthly basis and as and when the aggregate exceeds a pre-determined tolerance intra-month as determined by the Investment Manager, and not whenever there is an aggregate gain or loss. When a gain or loss from a currency hedge is adjusted, either the gain will be reinvested into underlying securities or the underlying securities will be sold to meet the loss. In the event that there is a loss on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have an exposure to securities which will exceed its Net Asset Value as its Net Asset Value comprises both the value of its underlying securities plus the unrealised loss on its foreign currency hedge. Conversely, in the event that there is a gain on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have a lower exposure to securities than its Net Asset Value as, in this case, its Net Asset Value will include an unrealised gain on the foreign currency hedge. When the foreign currency hedge is adjusted or reset, any such difference will be materially addressed.

The Investment Manager will monitor the currency exposure and gain or loss arising from hedge positions of each Currency Hedged Share Class against the pre-determined tolerances daily and will determine when a currency hedge should be reset and the gain or loss arising from the currency forwards reinvested or settled, while taking into consideration the frequency and associated transaction and reinvestment costs of resetting the currency forwards. When a pre-determined tolerance threshold for a Currency Hedged Share Class is triggered as at the close of a Business Day, the relevant currency hedge will be reset or adjusted only on the next Business Day (on which the relevant currency markets are open); therefore, there could be a Business Day's lag prior to the hedge position being reset or adjusted.

The triggers for resetting and adjusting the hedge are pre-determined by the Investment Manager and periodically reviewed for appropriateness. Other than this periodic adjustment of the tolerance levels, the Investment Manager has no discretion to alter or vary the hedging methodology used by the relevant Currency Hedged Share Class (other than in exceptional market circumstances where the Investment Manager believes that it would be in investors' interests to reset or adjust the hedge before the trigger levels are exceeded, or not reset or adjust the hedge if they are exceeded).

**Risks specific to use of FDI**

***FDI Risks***
Save as otherwise provided in a Fund's investment policy, each Fund may use FDI for the purposes of efficient

portfolio management or, where stated in the investment policy of a Fund, for direct investment purposes. Such instruments involve certain special risks and may expose investors to an increased risk of loss. These risks may include credit risk with regard to counterparties with whom the Fund trades, the risk of settlement default, lack of liquidity of the FDI, imperfect tracking between the change in value of the FDI and the change in value of the underlying asset that the Fund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when entering into a FDI, a Fund may be required to secure its obligations to its counterparty. For non-fully funded FDI, this may involve the placing of initial and/or variation margin assets with the counterparty. For FDI which require a Fund to place initial margin assets with a counterparty, such assets may not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the Fund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed the value of the relevant Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of an FDI may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the FDI only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under an FDI up to such minimum transfer amount. A default by the counterparty in such circumstances will result in a reduction in the value of the Fund and thereby a reduction in the value of an investment in the Fund.

Additional risks associated with investing in FDI may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where a Fund's credit exposure to its counterparty under a FDI is not fully collateralised but each Fund will continue to observe the limits set out in paragraph 2.8 of Schedule III. The use of FDI may also expose a Fund to legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

***Uncollateralised FDI***
In addition to the risks associated with trading in FDI, trading in FDI which have not been collateralised gives rise to direct counterparty exposure. For FDI which are not collateralised (including, without limitation, mortgage-backed forward instruments where the underlying is unknown (commonly known as "TBAs")), such counterparty exposure exists for the period during the trading and settlement dates. A default by the issuer of such instrument may result in a reduction in the value of the Fund.

***Other general risks***

***Fund Liability Risk***
The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability. As at the date of this Prospectus, the Directors are not aware of any such existing or contingent liability.

***Funds with Multiple Share Classes***
While assets and liabilities that are specific to a Share Class within a Fund would be attributable to (and should be borne by) only that Share Class, there is no segregation of liabilities between Share Classes as a matter of Irish law. Due to the lack of segregation of liabilities as a matter of law, there is a risk that the creditors of a Share Class may bring a claim against the assets of the Fund notionally allocated to other Share Classes.

In practice, cross liability between Share Classes is only likely to arise where the aggregate liabilities attributable to a Share Class exceed the aggregate assets of the Fund notionally allocated to that Share Class. Such a situation could arise if, for example, there is a default by a counterparty in respect of the relevant Fund's investments. In these circumstances, the remaining assets of the Fund notionally allocated to other Share Classes of the same Fund may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable to holders of Shares of such other Share Classes.

***Funds with One or More Currency Hedged Share Classes***
Currency Hedged Share Classes hedge their currency exposure using forward FX contracts and spot FX contracts. All gains, losses and expenses arising from hedging transactions for a particular Currency Hedged Share Class are attributed only to that Currency Hedged Share Class and should generally be borne only by the investors in that Share Class. However, given that there is no segregation of liabilities between Share Classes under law, there is a risk that, if the assets notionally allocated to a Currency Hedged Share Class are insufficient to meet the losses arising from its hedging transactions (in addition to other fees and expenses attributable to such Share Class), the losses arising from the hedging transactions for such Share Class could affect the Net Asset Value per Share of one or more other Share Classes of the same Fund.

***Insufficiency of Duties and Charges***
The Fund levies Duties and Charges in order to defray the costs associated with the purchase and sale of Investments. The level of Duties and Charges may be determined by the Manager in advance of the actual purchase or sale of Investments or execution of associated foreign exchange. It may be estimated based on historic information concerning the costs incurred in trading the relevant securities in the relevant markets. This figure is reviewed periodically and adjusted as necessary. If the Fund levies Duties and Charges which are insufficient to discharge all of the costs incurred in the purchase or sale of Investments, the difference will be paid out of the assets of the Fund, which, pending the reimbursement of the shortfall by an Authorised Participant, will result in a reduction in the value of the Fund (and a corresponding reduction in the value of each Share). In circumstances where Shares subscribed have been issued to an Authorised Participant prior to the receipt by the Fund from the Authorised Participant of the full costs incurred or to be incurred by the Fund in acquiring underlying investments attributable to a subscription, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall. Similarly, in circumstances where redemption proceeds have been paid to the Authorised Participant prior to the deduction from such proceeds of the full costs incurred or to be incurred by the Fund in disposing of underlying investments attributable to a redemption, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall.

***Failure to Settle***
If an Authorised Participant submits a dealing request and subsequently fails or is unable to settle and complete the dealing request, the Company will have no recourse to the Authorised Participant other than its contractual right to recover such costs. In the event that no recovery can be made from the Authorised Participant and any costs incurred as a result of the failure to settle will be borne by the Fund and its investors.

***Taxation Risks***
Potential investors' attention is drawn to the taxation risks associated with investment in the Company. See section headed "Taxation".

*Changes in taxation legislation may adversely affect the Funds*

The tax information provided in the "Taxation" section is based, to the best knowledge of the Company, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the Company and the Funds, the taxation of investors and any tax relief, and the consequences of such tax status and tax relief, may change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Fund is registered, cross-listed, marketed or invested could affect the tax status of the Company and the relevant Fund, affect the value of the relevant Fund's Investments in the affected jurisdiction, affect the relevant Fund's ability to achieve its investment objective, and/or alter the post tax returns on Shares held. Where a Fund invests in FDI the preceding sentence may also extend to the jurisdiction of the governing law of the FDI contract and/or the FDI counterparty and/or to the market(s) comprising the underlying exposure(s) of the FDI.

The availability and value of any tax relief available to investors depend on the individual circumstances of investors. The information in the "Taxation" section is not exhaustive and does not constitute legal or tax advice. Prospective investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Funds.

*Withholding tax reclaims*

The Company may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value of the Fund.

The Company (or its representative) may file claims on behalf of the Funds to recover withholding tax on dividend and interest income (if any) received from issuers in certain countries where such withholding tax reclaim is possible. Whether or when a Fund will receive a withholding tax refund in the future is within the control of the tax authorities in such countries. Where the Company expects to recover withholding tax for a Fund based on a continuous assessment of probability of recovery, the Net Asset Value of that Fund generally includes accruals for such tax refunds. The Company continues to evaluate tax developments for potential impact to the probability of recovery for such Funds. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation

or approach, accruals in the relevant Fund's Net Asset Value for such refunds may need to be written down partially or in full, which will adversely affect that Fund's Net Asset Value. Investors in that Fund at the time an accrual is written down will bear the impact of any resulting reduction in Net Asset Value regardless of whether they were investors during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, investors in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund's Net Asset Value. Investors who disposed of their interest in Shares prior to such time will not benefit from such Net Asset Value increase.

*Tax liability in new jurisdictions*

Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example the Middle East, the Company, the relevant Fund, the Manager, the Investment Manager, the Depositary, the Administrator and the Transfer Agent shall not be liable to account to any holder of Shares for any payment made or suffered by the Company or the relevant Fund in good faith to a fiscal authority for taxes or other charges of the Company or the relevant Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered.

Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the relevant Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Fund. Such late paid taxes will normally be debited to the Fund at the point the decision to accrue the liability in the Fund accounts is made.

*Treatment of tax by index providers*

Investors should be aware that the performance of Funds, as compared to a Benchmark Index, may be adversely affected in circumstances where the assumptions about tax made by the relevant index provider in their index calculation methodology, differ to the actual tax treatment of the underlying securities in the Benchmark Index held within Funds.

*FATCA*

Investors should also read the information set out under the heading "FATCA and other cross-border reporting systems", particularly in relation to the consequences of the Company being unable to comply with the terms of such reporting systems.

*Transfer of interests in a Fund with India Exposure*

Section 9 of the Indian Income Tax Act (applicable with retrospective effect from April 1, 1961) provides that a transfer of any share or interest in a foreign entity is subject to capital gains tax in India, if its value is substantially derived, directly or indirectly, from assets located in India ("Indirect Transfer Tax"). However, the law provides a carve-out under which the Indirect Transfer Tax does not apply to investments, direct or indirect, made in Category I and Category II FPIs. On the basis of this carve-out and each Fund with India Exposure being registered as a Category II FPI, the investors would not be liable to tax in India on the redemption from, or the sale of their Shares or interest in a Fund with India Exposure.

***Liquidity Risk***

A Fund's investments may be subject to liquidity constraints, which means they may trade less frequently and in small volumes. Securities of certain types, such as bonds and mortgage-backed instruments, may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the price at which it has been valued for the purposes of calculating the Net Asset Value of the Fund or at a value considered to be fairest. Reduced liquidity of a Fund's investments may result in a loss to the value of your investment.

***Dealing Day Risk***

As foreign exchanges can be open on days when a Fund may have suspended calculation of its Net Asset Value and the subscription and redemption of Shares and, therefore, Shares in the Fund are not priced, the value of the securities in the Fund's portfolio may change on days when a Fund's Shares will not be able to be purchased or sold.

***Share Subscriptions and Redemptions***

Provisions relating to the redemption of Shares grant the Company discretion to limit the amount of Shares available for redemption on any Dealing Day to 10% of the Shares in issue in respect of any Fund and, in conjunction with such limitations, to defer or pro rata such redemption. In addition, where requests for subscription or redemption are received late, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

***Umbrella Cash Subscription and Redemption Account Risk***
Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account. Investors will be unsecured creditors of such Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Transfer Agent of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, the redeemed Shares will be cancelled from the relevant redemption date. Redeeming Authorised Participants and Authorised Participants entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full. Redeeming Authorised Participants and Authorised Participants entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Transfer Agent promptly. Failure to do so is at such Authorised Participant's own risk.

In respect of the Umbrella Cash Collection Account, in the event of the insolvency of another Fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish insolvency and trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances such Fund or the Company would have sufficient funds to repay any unsecured creditors.

***Trading Currency Exposure***
Shares may be traded in various currencies on various stock exchanges. In addition, subscriptions and redemptions of Shares in a Fund will ordinarily be made in the Valuation Currency of the Shares and may in some cases be permitted in other currencies. The currencies in which the underlying investments of a Fund are denominated may also differ from the Base Currency of the Fund (which may follow the base currency of the Fund's Benchmark Index) and from the Valuation Currency of the Shares. Depending on the currency in which an investor invests in a Fund, foreign exchange fluctuations between the currency of investment, the Valuation Currency of the Shares and the Base Currency of the Fund and/or the currencies in which the Fund's underlying investments are denominated, will have an impact on, and may adversely affect, the value of such investor's investments.

***Temporary Suspension***
Investors are reminded that in certain circumstances their right to redeem or switch Shares may be temporarily suspended. Please see 'Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching'.

***Valuation Risk***
Certain assets of the Fund may become illiquid and/or not publicly traded. Such securities and financial instruments may not have readily available prices and may therefore be difficult to value. The Manager, Investment Manager or Administrator may provide valuation services (to assist in calculating the Net Asset Value of a Fund) in relation to such securities and financial instruments. Investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated valuation of the securities the higher the fees payable to the Manager, Investment Manager or Administrator. Please see "Conflicts of Interest - General" on page 123 for details of how the Company deals with conflicts. In addition, given the nature of such Investments, determinations as to their fair value may not represent the actual amount that will be realised upon the eventual disposal of such Investments.

***Operational Risk***
The Funds are exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of service providers, counterparties or other third parties, failed or inadequate processes and technology or systems failures. The Manager seeks to reduce these operational risks through controls and procedures and, through its monitoring and oversight of providers of services for the Funds, also seeks to ensure that such service providers take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors. However, it is not possible for the Manager and other service providers to identify and address all of the operational risks that may affect a Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

A Fund's operations (including investment management, securities lending, distribution, collateral management, administration and currency hedging) are carried out by several service providers which are selected based on a rigorous due diligence process.

Nevertheless, the Manager and other providers of services for the Funds may experience disruptions or operating errors such as processing errors or human errors, inadequate or failed internal or external processes, or systems or technology failures, provision or receipt of erroneous or incomplete data, resulting in operational risk which may have a negative effect on the Fund's operations and may expose the Fund to a risk of loss. This can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, provision or receipt of erroneous or incomplete data or loss of data, regulatory or contractual breaches, human error, negligent execution, problems in the settlement and accounting process, employee misconduct, fraud or other criminal acts. Investors could experience delays (for example, delays in the processing of subscriptions, switching and redemption of Shares) or other disruptions.

While the Manager seeks to minimise operational errors as set out above, there may still be failures that could cause losses to a Fund and reduce the value of the Fund.

***Reference Rate Risk***
Certain of the Funds' investments, benchmarks and payment obligations may be based on floating rates, such as the European Interbank Offer Rate ("EURIBOR"), Sterling Overnight Index Average ("SONIA"), and other similar types of reference rates ("Reference Rates"). The changes or reforms to the determination or supervision of Reference Rates could have an adverse impact on the market for, or value of, any securities or payments linked to those Reference Rates. In addition, any substitute Reference Rate and any pricing adjustments imposed by a regulator or by counterparties or otherwise may adversely affect a Fund's performance and/or Net Asset Value.

***Cybersecurity Risk***
A Fund or any of the service providers, including the Manager and the Investment Manager, may be subject to risks resulting from cybersecurity incidents and/or technological malfunctions.

A cybersecurity incident is an event that may cause a loss of proprietary information, data corruption or a loss of operational capacity. Cybersecurity incidents can result from deliberate cyber-attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through hacking or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data, releasing confidential information without authorisation or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial of-service attacks on websites, which may make network services unavailable to intended users. The issuers of securities and counterparties to other financial instruments in which a Fund invests may also be subject to cybersecurity incidents. Cybersecurity incidents may cause a Fund to suffer financial losses, interfere with a Fund's ability to calculate its Net Asset Value, impede trading, disrupt the ability of investors to subscribe for, exchange or redeem their Shares, violate privacy and other laws and incur regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Cyber-attacks may render records of assets and transactions of a Fund, Shareholder ownership of Shares, and other data integral to the functioning of a Fund inaccessible, inaccurate or incomplete. In addition, substantial costs may be incurred in order to prevent any cybersecurity incidents in the future which may adversely impact a Fund.

While the Manager and the Investment Manager have established business continuity plans and risk management strategies to seek to prevent cybersecurity incidents, there are inherent limitations in such plans and strategies, including the possibility that certain risks have not been identified given the evolving nature of the threat of cyber-attacks. Furthermore, none of the Manager or the Investment Manager can control the business continuity plans or cybersecurity strategies put in place by other service providers to a Fund or issuers of securities and counterparties to other financial instruments in which a Fund invests.

Technological malfunctions may occur from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors cause by services providers. Whilst the Manager and the Investment Manager seek to minimise such events through controls and oversight, there may still be failures that could cause losses to the Funds.

The Investment Manager relies on its third party service providers for many of their day-to-day operations and will be subject to the risk that the protections and policies implemented by those service providers will be ineffective to protect the Investment Manager or a Fund from cyber-attack and/or technological malfunction.

***Ownership Limitation Risks***
The Company may be restricted by law, regulation, or otherwise, in its investment activities due to ownership threshold limits and reporting obligations that operate, in certain regulated industries or in certain international markets. Such restrictions may apply in aggregate to the accounts of clients (including a Fund) of the BlackRock Group and may adversely impact a Fund's performance and its ability to meet its investment objective through missed investment opportunities. The Investment Manager may also seek to make indirect investments (e.g., through FDIs), when permissible, on behalf of a Fund to receive exposure to certain securities in excess of applicable ownership restrictions. This may lead to a Fund incurring additional costs and risks. There may also be limited availability of FDIs that provide indirect exposure to an impacted security. The BlackRock Group manages the conflict by following an Investment and Trading Allocation Policy, designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

Ownership threshold limitations are highly complex. A Fund may be subject to multiple ownership limitations, each impacting various securities held by a Fund. Therefore, despite the Investment Manager's intent to comply or seek permission to exceed them, inadvertent breaches or violations may occur and result in enforcement actions, regulatory restrictions, increased compliance costs, or business restrictions.

In addition to the foregoing, ownership threshold limits may trigger reporting requirements to governmental and regulatory authorities, and such reports may entail the disclosure of the identity of a Fund or BlackRock's intended strategy with respect to a security or asset of a Fund.

# VALUATION OF THE FUNDS

**General**

The Net Asset Value per Share in each Fund shall be determined for each Dealing Day, in accordance with the Articles, by dividing the assets of the Fund, less its liabilities, by the number of Shares in issue in respect of that Fund, adjusted by rounding to such number of decimal places as the Directors may determine and agree with the Administrator. Any liabilities of the Company which are not attributable to any Fund shall be allocated pro rata amongst all of the Funds according to their respective Net Asset Values.

Each Fund will be valued for each Dealing Day as at the Valuation Point listed for the Fund in the Primary Market Dealing Timetable using the index methodology of valuing securities. Depending on the nature of the underlying security, this could be either at the last traded, closing mid-market or bid price on the relevant market.

A Fund may comprise more than one class of Shares and the Net Asset Value per Share may differ between classes in a Fund. Where a Fund is made up of more than one class of Shares, the Net Asset Value of each class shall be determined by calculating the amount of the Net Asset Value of the Fund attributable to each class. The Net Asset Value per Share of a class shall be calculated by dividing the Net Asset Value of the class by the number of Shares in issue in that class. The Net Asset Value of a Fund attributable to a class shall be determined by establishing the value of Shares in issue in the class and by allocating relevant fees and expenses to the class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund accordingly.

Assets listed or traded on a Regulated Market for which market quotations are readily available shall be priced at the Valuation Point using the last traded price for equity securities or the closing mid-market price for bond securities on the principal Regulated Market for such Investment (with the exception of iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B, iShares $ Treasury Bond 3-7yr UCITS ETF, and iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) in respect of which bond securities shall be valued in accordance with the methodology employed by the Fund's relevant Benchmark Index which values bond securities using a bid price). If the assets of a Fund are listed or traded on several Regulated Markets, the last traded price, closing mid-market price and/or bid price, as applicable, on the Regulated Market which, in the opinion of the Administrator, constitutes the main market for such assets, will be used.

The value of an Investment listed on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or an OTC market may be valued taking into account the level of premium or discount as at the date of valuation of the Investment with the approval of the Depositary, who must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the Investment.

In the event that any of a Fund's Investments on the relevant Dealing Day are not listed or traded on any Regulated Market and for which market quotations are not readily available, such Investments shall be valued at their probable realisation value determined by the Directors or such other competent person (which may be related to but independent of the Fund) or firm appointed by the Directors and approved by the Depositary (as a competent person for such purpose) with care and in good faith.

The Administrator may use such probable realisation value estimated with care and in good faith as may be recommended by a competent professional appointed by the Directors and who is approved by the Depositary as a competent person for such purpose. Cash and other liquid assets will be valued at their face value with interest accrued, where applicable.

If for specific assets of a Fund the last traded price, the closing mid-market price and/or bid price, as applicable, do not, in the opinion of the Manager, reflect their fair value or if prices are unavailable, the value shall be calculated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for that purpose by the Depositary, on the basis of the probable realisation value for such assets as at the Valuation Point.

In the event of it being impossible or incorrect to carry out a valuation of a specific Investment in accordance with the valuation rules set out above, or if such valuation is not representative of the fair market value in the context of currency, marketability and such other considerations which are deemed relevant, the Directors are entitled to use other generally recognised valuation methods in order to reach a fair market valuation of that specific Investment, provided that such method of valuation has been approved by the Depositary.

Shares, units of or participations in open-ended collective investment schemes will be valued at the latest available net asset value of such share, unit or participation as published by such open-ended collective investment scheme; shares, units of or participations in closed-ended collective investment schemes will, if listed or traded on a Regulated Market, be valued in accordance with the provisions above which apply to Investments listed or normally dealt in on a Regulated Market.

Any value and borrowing expressed otherwise than in the Base Currency of a Fund (whether of an Investment or cash) shall be converted into the Fund's Base Currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances.

Exchange-traded FDI will be valued for each Dealing Day at the settlement price for such instruments as at the Valuation Point. If such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for such purpose by the Depositary.

The value of any OTC FDI contracts shall be (a) a quotation from the counterparty or (b) an alternative valuation, such as model pricing, calculated by the Company or an independent pricing vendor (which may be a party related to but independent of the counterparty which does not rely on the same pricing models employed by the counterparty) provided that: (i) where a counterparty valuation is used, it must be provided on at least a daily basis and approved or verified at least weekly by a party independent of the counterparty, which may be the Investment Manager or the Administrator (approved for the purpose by the Depositary); (ii) where an alternative valuation is used (i.e. a valuation that is provided by a competent person appointed by the Manager or Directors and approved for that purpose by the Depositary (or a valuation by any other means provided that the value is approved by the Depositary)), it must be provided on a daily basis and the valuation principles employed must follow best international practice established by bodies such as IOSCO (International Organisation of Securities Commission) and AIMA (the Alternative Investment Management Association) and any such valuation shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise these must be promptly investigated and explained.

Forward foreign exchange contracts for which market quotations are freely available may be valued in accordance with the previous paragraph or by reference to market quotations (in which case there is no requirement to have such prices independently verified or reconciled to the counterparty valuation).

**Publication of Net Asset Value and Net Asset Value per Share**

Except where the determination of the Net Asset Value has been suspended in the circumstances described under "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" on pages 106 to 107 the Net Asset Value per Share for each Fund shall be made available at the registered office of the Administrator on or before the close of business of each Dealing Day. In addition, the Net Asset Value per Share for each class of Shares in each Fund shall also be published daily on the Business Day following the Valuation Point for the applicable Fund by means of a Regulatory Information Service or the official iShares website (www.iShares.com), which shall be kept up to date, and such other publications and with such frequency as the Directors may determine. The publishing of the Net Asset Value per Share for each class of Shares in each Fund is for information purposes only, and is not an invitation to apply for, redeem or switch Shares at the published Net Asset Value per Share.

**Indicative Net Asset Value**

The indicative net asset value (iNAV) is the net asset value per Share of each class of Shares in a Fund calculated on a real time basis (every 15 seconds) during trading hours. The values are intended to provide investors and market participants with a continuous indication of the value of each class of Shares. The values are usually calculated based on a valuation of the actual Fund portfolio using real-time prices from Tradeweb Markets LLC and other sources.

The Investment Manager has appointed Tradeweb Markets LLC to calculate and publish the iNAVs of each class. These iNAVs are published by the relevant stock exchanges. There are provisions for the BlackRock Group to receive payments from the iNAV provider for its engagement in the development and enhancement of service levels.

An iNAV is not, and should not be taken to be or relied on as being, the value of a Share or the price at which Shares may be subscribed for or redeemed or purchased or sold on any relevant stock exchange. In particular, any iNAV provided for a Fund where the constituents of the Benchmark Index or Investments are not actively traded during the time of publication of such iNAV may not reflect the true value of a Share and may therefore be misleading and should not be relied on. The inability of the Investment Manager or its designee to provide an iNAV, on a real-time basis, or for any period of time, will not in itself result in a halt in the trading of the Shares on a relevant stock exchange, which will be determined by the rules of the relevant stock exchange in the circumstances. Investors should be aware that the calculation and reporting of any iNAV may reflect time delays in the receipt of the prices of the relevant constituent securities in comparison to other calculated values based upon the same constituent securities including, for example, the Benchmark Index or Investments itself or the iNAV of other exchange traded funds based on the same Benchmark Index or Investments. Investors interested in dealing in Shares on a relevant stock exchange should not rely solely on any iNAV which is made available in making investment decisions, but should also consider other market information and relevant economic and other factors (including, where relevant, information based on the Benchmark Index or Investments corresponding to a Fund). None of the Company, the Directors, the Investment Manager or its designee, the Depositary, the Administrator, Transfer Agent and Authorised Participant and the other service providers shall be liable to any person who relies on the iNAV.

**Income Equalisation**
For tax and accounting purposes, the Manager may implement income equalisation arrangements with a view to ensuring that the level of income derived from Investments is not affected by the issue, switching or redemption of Shares during the relevant accounting period.

## DEALINGS IN THE COMPANY

The Funds are exchange traded funds which means that the Shares of the Funds are listed on one or more stock exchanges. Certain market makers and brokers are authorised by the Company to subscribe and redeem Shares of the Funds directly with the Company in the Primary Market and they are referred to as "Authorised Participants". Such Authorised Participants generally have the capability to deliver the Shares of the Funds within the clearing systems relevant to the stock exchanges on which the Shares are listed. Authorised Participants usually sell the Shares they subscribe to on one or more stock exchanges, the Secondary Market, where such Shares become freely tradable. Potential investors who are not Authorised Participants can purchase and sell the Shares of the Funds on the Secondary Market through a broker/dealer on a recognised stock exchange or OTC. For further details of such brokers please contact the Investment Manager.

The section titled "Procedure for Dealing on the Primary Market" relates to subscriptions and redemptions between the Company and Authorised Participants. Investors who are not Authorised Participants should refer to the section below titled "Procedure for Dealing on the Secondary Market".

# PROCEDURE FOR DEALING ON THE PRIMARY MARKET

The Primary Market is the market on which Shares of the Funds are issued or redeemed by the Company at the request of Authorised Participants. Only Authorised Participants are able to effect subscriptions and redemptions of Shares on the Primary Market.

Applicants wishing to deal on the Primary Market in respect of the Funds have to satisfy certain eligibility criteria, and be registered with the Company, to become Authorised Participants. In addition, all applicants applying to become Authorised Participants must first complete the Company's Account Opening Form which may be obtained from the Transfer Agent and satisfy certain anti-money laundering checks. The signed original Account Opening Form should be sent to the Transfer Agent. Applicants wishing to become Authorised Participants should contact the Investment Manager or the Electronic Order Entry Facility Operator for further details. The Company has absolute discretion to accept or reject any Account Opening Form and to revoke any authorisation to act as an Authorised Participant. The Common Depositary's Nominee, acting as the registered holder of Shares in the Funds, may not apply to become an Authorised Participant.

Authorised Participants may submit dealing requests for subscriptions or redemptions of Shares in a Fund through the Electronic Order Entry Facility. The use of the Electronic Order Entry Facility is subject to the prior consent of the Electronic Order Entry Facility Operator and the Transfer Agent and must be in accordance with and comply with the requirements of the Central Bank. Requests for subscriptions and redemptions placed electronically are subject to the dealing request cut off times stated in the Primary Market Dealing Timetable. Alternative dealing methods are available with the consent of the Investment Manager and in accordance with the requirements of the Central Bank.

All dealing applications are at the Authorised Participant's own risk. Dealing requests, once submitted, shall (save as determined by the Investment Manager or the Electronic Order Entry Facility Operator at its discretion) be irrevocable. The Company, the Investment Manager, the Electronic Order Entry Facility Operator and the Transfer Agent shall not be responsible for any losses arising in the transmission of Account Opening Forms or for any losses arising in the transmission of any dealing request through the Electronic Order Entry Facility or any alternative dealing method approved by the Investment Manager or the Electronic Order Entry Facility Operator. Amendments to registration details and payment instructions will only be effected upon receipt by the Transfer Agent of the original documentation.

Authorised Participants are responsible for ensuring that they are able to satisfy their purchase and redemption settlement obligations when submitting dealing requests on the Primary Market. Authorised Participants making redemption requests must first ensure that they have a sufficient holding of Shares available for redemption (which holding in the required number of Shares must be delivered to the Transfer Agent for settlement in the relevant International Central Securities Depositary by the relevant settlement date). Redemption requests will be processed only where the payment is to be made to the Authorised Participant's account of record.

**Portfolio Composition File**

The Company publishes a Portfolio Composition File for each Launched Share Class providing an indication of the Investments of each Current Fund. In addition, the Portfolio Composition File also sets out the Cash Component to be delivered (a) by Authorised Participants to the Company in the case of subscriptions; or (b) by the Company to the Authorised Participants in the case of redemptions.

The Portfolio Composition File for each Launched Share Class of each of the Current Funds for each Dealing Day may be requested by Authorised Participants from the Investment Manager.

**Dealings in Kind, in Cash and Directed Cash Dealings**

Shares may be subscribed for and redeemed on each Dealing Day.

The Company has absolute discretion to accept or reject in whole or in part any application for Shares without assigning any reason therefor. The Company also has absolute discretion (but shall not be obliged) to reject or cancel in whole or in part any subscription for Shares prior to the issue of Shares to an applicant (notwithstanding the application having been accepted) and the registration of the same in the name of the Common Depositary's Nominee in the event that any of the following occurs to the Authorised Participant (or its parent company or ultimate parent company): an Insolvency Event; a downgrading of credit rating; being placed on a watchlist (with negative implications) by a credit rating agency; or where the Company (or its Manager or Investment Manager) has reasonable grounds to conclude that the relevant Authorised Participant may be unable to honour its settlement obligations or that the Authorised Participant poses a credit risk to the Funds. In addition, the Company may impose such restrictions as it believes necessary to ensure that no Shares are acquired by persons who are not Qualified Holders.

The Company may accept subscriptions and pay redemptions either in kind or in cash or in a combination of both. The Company may determine whether to accept subscriptions in kind and/or in cash at its absolute discretion. The Company may determine whether to accept in kind redemption requests at its absolute discretion. The Company has the right to determine whether it will only accept requests for redemptions from an Authorised Participant in kind and/or in cash on a case by case basis in the event that any of the following occurs to the Authorised Participant (or its parent company or ultimate parent company): an Insolvency Event; a downgrading of credit rating; being placed on a watchlist (with negative implications) by a credit rating agency; or where the Company (or its Manager or Investment Manager) has reasonable grounds to conclude that the relevant Authorised Participant may be unable to honour its settlement obligations or that the Authorised Participant poses a credit risk.

Shares may be subscribed at the relevant Net Asset Value per Share together with associated Duties and Charges which may be varied to reflect the cost of execution. Shares may be redeemed at the Net Asset Value per Share less any associated Duties and Charges which may be varied to reflect the cost of execution. The Articles empower the Company to charge such sum as the Manager considers represents an appropriate figure for Duties and Charges. The level and basis of calculating Duties and Charges may also be varied depending on the size of the relevant dealing request and the costs relating to, or associated with, the primary market transactions. Where Authorised Participants subscribe for or redeem Shares in cash in a currency that is different from the currencies in which the relevant Fund's underlying investments are denominated, the foreign exchange transaction costs associated with converting the subscription amount to the currencies needed to purchase the underlying investments (in the case of a subscription) or converting the sale proceeds from selling the underlying investments to the currency needed to pay redemption proceeds (in the case of a redemption) will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

Where Authorised Participants subscribe for or redeem Shares in a Currency Hedged Fund or a Currency Hedged Share Class, the transaction costs associated with increasing (in the case of a subscription) or decreasing (in the case of a redemption) such hedge will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

In some cases, the level of Duties and Charges has to be determined in advance of the completion of the actual purchase or sale of Investments or execution of associated foreign exchange by or on behalf of the Company and the subscription or redemption price may be based on estimated Duties and Charges (which could be based on historic information concerning the costs incurred or expected costs in trading the relevant securities in the relevant markets). Where the sum representing the subscription or redemption price is based on estimated Duties and Charges which turn out to be different to the costs actually incurred by a Fund when acquiring or disposing of Investments as a result of a subscription or redemption, the Authorised Participant shall reimburse the Fund for any shortfall in the sum paid to the Fund (on a subscription) or any excess sum received from the Fund (on a redemption), and the Fund shall reimburse the Authorised Participant for any excess received by the Fund (on a subscription) or any shortfall paid by the Fund (on a redemption), as the case may be. Authorised Participants should note that no interest will accrue or be payable on any amount reimbursed or to be reimbursed by a Fund. In order to protect the Funds and holders of their Shares, the Company and the Manager reserve the right to factor into the estimated Duties and Charges a buffer to protect the Fund from potential market and foreign exchange exposure pending the payment of the actual Duties and Charges.

Dealing orders will normally be accepted in multiples of the minimum number of Shares. Such minima may be reduced or increased in any case at the discretion of the Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum subscription and redemption orders for the Current Funds. Details in relation to the Valuation Points and cut-off times for the Current Funds are also set out in the Primary Market Dealing Timetable below. Details of the dealing cut-off times for subscription and redemption orders are also available from the Administrator. There are no minimum holding requirements for the Funds as at the date of this Prospectus.

Applications received after the times listed in the Primary Market Dealing Timetable will generally not be accepted for dealing on the relevant Dealing Day. However, such applications may be accepted for dealing on the relevant Dealing Day, at the discretion of the Company, Manager or the Investment Manager, in exceptional circumstances, provided they are received prior to the Valuation Point. Settlement of the transfer of Investments and/or cash payments in respect of subscriptions and redemptions must take place within a prescribed number of Business Days after the Dealing Day (or such earlier time as the Manager may determine in consultation with the Authorised Participant). Authorised Participants should refer to the Electronic Order Entry Facility for details of the maximum and minimum settlement times (which can range from one to four Business Days) in respect of subscriptions and redemptions. If a Significant Market is closed for trading or settlement on any Business Day during the period between the relevant Dealing Day and the expected settlement date (inclusive), and/or settlement in the base currency of the Fund is not available on the expected settlement date, there may be corresponding delays to the settlement times (but such delays will not exceed the regulatory requirements for settlement).

If a redeeming Authorised Participant requests redemption of a number of Shares representing 5% or more of the Net Asset Value of a Fund, the Directors may, in their sole discretion redeem the Shares by way of a redemption in

kind and in such circumstances the Directors will, if requested by the redeeming Authorised Participant, sell the Investments on behalf of the Authorised Participant. (The cost of the sale can be charged to the Authorised Participant).

If redemption requests on any Dealing Day amount to Shares representing 10% or more of the Net Asset Value of a Fund, the Manager may, in its discretion, refuse to redeem any Shares representing in excess of 10% of the Net Asset Value of the Fund (at any time including after the cut-off time on the Dealing Day). Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Shares to which the original request related have been redeemed.

Settlement for redemptions will normally be made within ten Business Days of the Dealing Day. Payment of redemption proceeds to the account instructed by the Authorised Participant requesting the redemption will be in full discharge of the Company's obligations and liability.

The Investment Manager will carry out the underlying trades for any subscription or redemption request at its absolute discretion and may vary the underlying trades (for example, by staggering the timing of the trades) to take into account (amongst other things) the impact on other Shares in the relevant Fund and on the underlying market, as well as acceptable industry practices.

*Dealings in Kind*

Shares in certain Funds may be subscribed for and/or redeemed in exchange for in kind assets. Authorised Participants wishing to deal in kind should contact the Investment Manager for a list of Funds which accept dealing requests in kind.

Subscriptions by Authorised Participants for Shares in exchange for in kind assets would need to deliver a basket of underlying securities and a Cash Component (both as determined by the Investment Manager based on the underlying portfolio held, and to be held, by the Fund) to the Fund as part of its settlement obligations.

In the event that an Authorised Participant fails to deliver, or delays in delivering, one or more of the specified underlying securities by the relevant settlement date, the Company may (but shall not be obliged to) require the Authorised Participant to pay to it a sum equal to the value of such underlying securities plus any Duties and Charges associated with the purchase by the Company of such underlying securities, including any foreign exchange costs and other fees, and/or costs incurred as a result of the delay.

Redemptions by Authorised Participants in exchange for in kind assets would receive their redemption proceeds in the form of underlying securities and, if relevant, a Cash Component, as determined by the Investment Manager based on the Fund's underlying portfolio.

*Directed Cash Dealings*

If any Authorised Participant initiating a cash subscription or redemption wishes to have the underlying securities traded with a particular designated broker (i.e. a directed cash subscription or redemption), the Authorised Participant would need to specify the designated broker in its dealing request. The Investment Manager will use reasonable endeavours to transact the underlying securities with the designated broker (save in exceptional market circumstances), subject to the designated broker and its sub-brokers being acceptable to the Investment Manager and being able to transact the underlying securities. Authorised Participants that wish to select a designated broker are required, prior to the Investment Manager transacting the underlying securities, to contact the relevant portfolio trading desk of the designated broker to arrange the trade and to agree pricing and other terms of the trade.

As part of the Authorised Participant's settlement obligations for a directed cash subscription, the Authorised Participant would be responsible for (i) ensuring that the designated broker transfers to the Fund (via the Depositary) the relevant underlying securities, and (ii) paying the fees and costs charged by the designated broker for selling the relevant underlying securities to the Fund plus any associated Duties and Charges, including foreign exchange costs, to reflect the cost of execution.

The Authorised Participant is responsible for ensuring that the designated broker purchases the relevant underlying securities from the Fund for a directed cash redemption. The Authorised Participant will receive the price paid by the designated broker for purchasing the relevant underlying securities from the Fund, less any associated Duties and Charges, including foreign exchange costs, to reflect the cost of execution.

The Investment Manager will not be responsible, and shall have no liability, if the execution of the underlying securities with a designated broker and, by extension, an Authorised Participant's subscription or redemption order, is not carried out due to an omission, error, failed or delayed trade or settlement on the part of the Authorised Participant or the designated broker. It is the responsibility of the Authorised Participant to arrange the trade and agree the pricing and other terms of the trade with its selected designated broker and the Investment Manager will not accept any responsibility or liability if the execution request is not achieved in the way desired by the Authorised Participant for any reason whatsoever. Should an Authorised Participant or the designated broker to which the

Authorised Participant directed the underlying securities transaction default on, delay settlement of, or change the terms of, any part of the underlying securities transaction, the Authorised Participant shall bear all associated risks and costs, including costs incurred by the Company and/or the Investment Manager as a result of the delay to the underlying securities transaction. In such circumstances, the Company and the Investment Manager have the right to transact with another broker and to amend the terms of the Authorised Participant's subscription or redemption request, including the subscription price and/or redemption proceeds, to take into account the default, delay and/or the change to the terms.

*Clearing and Settlement*

Authorised Participants' title and rights relating to Shares in the Funds will be determined by the clearance system through which they settle and/or clear their holdings. Shares in the Funds will settle through the relevant International Central Securities Depositaries and the Common Depositary's Nominee will act as the registered holder of all such Shares. For further details, see the section "Global Clearing and Settlement" below.

**PRIMARY MARKET DEALING TIMETABLE**

| **Fund Name** | **Fund Valuation Point on DD*** | **Dealing request cut off on DD (Cash/Market Trade dealings and, where available, In Kind FOP/OTC DVP dealings)**<br><br>(or, in exceptional circumstances, such later time as approved by the Manager in its absolute discretion)**<br><br>Authorised Participants should refer to the Electronic Order Entry Facility for further details. |
|---|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | 11.00 pm | 8.00 pm |
| iShares $ Treasury Bond 3-7yr UCITS ETF | 11.00 pm | 8.00 pm |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | 11.00 pm | 8.00 pm |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | 11.00 pm | 4.00 pm |
| iShares € Govt Bond 3-7yr UCITS ETF | 11.00 pm | 4.00 pm |
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | 11.00 pm | 4.00 pm |
| iShares Core EURO STOXX 50 UCITS ETF | 11.00 pm | 4.00 pm |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | 11.00 pm | 4.00 pm |
| iShares Core MSCI EMU UCITS ETF | 11.00 pm | 3.30 pm |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares Core S&P 500 UCITS ETF | 11.00 pm | 8.00 pm |
| iShares Dow Jones Industrial Average UCITS ETF | 11.00 pm | 8.00 pm |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | 11.00 pm | 3.30 pm |
| iShares FTSE MIB UCITS ETF EUR (Acc) | 11.00 pm | 4.00 pm |
| iShares MSCI Canada UCITS ETF | 11.00 pm | 8.00 pm |
| iShares MSCI EM Asia UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | 11.00pm | 3.30 pm |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | 11.00pm | 3.30 pm |
| iShares MSCI EMU Small Cap UCITS ETF | 11.00 pm | 3.30 pm |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | 11.00pm | 3.30 pm |
| iShares MSCI Japan UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares MSCI Korea UCITS ETF USD (Acc) | 11.00 pm | 4.00 am*** |

| **Fund Name** | **Fund Valuation Point on DD*** | **Dealing request cut off on DD (Cash/Market Trade dealings and, where available, In Kind FOP/OTC DVP dealings)**<br><br>(or, in exceptional circumstances, such later time as approved by the Manager in its absolute discretion)****<br><br>Authorised Participants should refer to the Electronic Order Entry Facility for further details. |
|---|---|---|
| iShares MSCI Mexico Capped UCITS ETF | 11.00 pm | 8.00 pm |
| iShares MSCI UK Small Cap UCITS ETF | 11.00 pm | 4.00 pm |
| iShares MSCI UK UCITS ETF | 11.00 pm | 4.00 pm |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | 11.00 pm | 8.00 pm |
| iShares MSCI USA UCITS ETF | 11.00 pm | 8.00 pm |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | 11.00 pm | 4.30 pm |
| iShares Nasdaq 100 Top 30 UCITS ETF | 11.00 pm | 4.30 pm |
| iShares NASDAQ 100 UCITS ETF | 11.00 pm | 8.00 pm |
| iShares Nikkei 225 UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares Russell 1000 Growth UCITS ETF | 11.00 pm | 8.00 pm |
| iShares Russell 1000 Value UCITS ETF | 11.00 pm | 8.00 pm |
| iShares S&P 500 3% Capped UCITS ETF | 11.00 pm | 8.00 pm |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | 11.00 pm | 8.00 pm |
| iShares S&P 500 Top 20 UCITS ETF | 11.00 pm | 8.00 pm |

This Primary Market Dealing Timetable is applicable to Authorised Participants that are able to effect subscriptions and redemptions of Shares with the Company on the Primary Market. Authorised Participants should also refer to the terms of the Electronic Order Entry Facility.

"BD" means Business Day and "DD" means Dealing Day. Any application received after the cut off time on a Dealing Day will be treated as an application for the next Dealing Day.

*The Fund Valuation Point relevant to an application is the Fund Valuation Point on the Dealing Day for which that application is treated as being received.

** Dealing requests received after the cut off time for a Fund may be accepted in exceptional circumstances at the discretion of the Manager, provided always that the application is received before the Fund Valuation Point on the relevant Dealing Day for which the application is treated as being received. Applications received after the relevant Fund

Valuation Point will be treated as applications for the next Dealing Day.

*** The cut off time for this Fund reflects that some, or all, of the Fund's underlying assets are traded in time zones earlier than the European time zone.

Subscription and redemption orders will normally be accepted in multiples of the minimum number of Shares set at the discretion of the Manager or the Investment Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum subscription and redemption orders for the Launched Share Classes.

Earlier or later times may be determined by the Manager or the Investment Manager at their discretion with prior notice to Authorised Participants.

On the Dealing Day prior to 25 December and 1 January, dealing requests for subscriptions or redemptions must be received by the earlier of the stated dealing request cut-off and 12.00 noon.

NOTE: ALL TIME REFERENCES IN THIS DEALING TIMETABLE ARE TO GREENWICH MEAN TIME (GMT), OR BRITISH SUMMER TIME (BST), WHEN SUCH IS APPLICABLE - NOT CENTRAL EUROPEAN TIME (CET).

**Failure to Deliver**

In the event that (i) in respect of an in kind dealing resulting in a creation, an Authorised Participant fails to deliver the required Investments and Cash Component, or (ii) in relation to a cash creation, an Authorised Participant fails to deliver the required cash, or (iii) in respect of a directed cash dealing resulting in a creation, an Authorised Participant fails to deliver the required cash or its designated broker fails to deliver the underlying Investments, within the stated settlement times for the Current Funds (available on the Electronic Order Entry Facility) the Company and/or Investment Manager reserves the right (but shall not be obliged) to cancel the relevant subscription request. The Authorised Participant shall indemnify the Company for any loss suffered by the Company as a result of a failure or delay by the Authorised Participant to deliver the required Investments and Cash Component or cash and, for directed cash dealings resulting in creations, any loss suffered by the Company as a result of a failure by the designated broker to deliver the required underlying Investments, within the stated settlement times, including (but not limited to) any market exposure, interest charges and other costs suffered by the Fund. The Company reserves the right to cancel the provisional allotment of the relevant Shares in those circumstances.

The Directors may, in their sole discretion where they believe it is in the best interests of a Fund, decide not to cancel a subscription and provisional allotment of Shares where an Authorised Participant has failed to deliver the required Investment and Cash Component or cash and/or, for directed cash subscriptions, the designated broker has failed to deliver the required underlying Investments, within the stated settlement times. The Company may temporarily borrow an amount equal to the subscription and invest the amount borrowed in accordance with the investment objective and policies of the relevant Fund. Once the required Investments and Cash Component or cash has been received, the Company will use this to repay the borrowings. The Company reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Company as a result of this borrowing. Where a designated broker under a directed cash subscription fails or delays in delivering the required underlying securities, the Company and its Investment Manager has a right to transact with a different broker and to charge the relevant Authorised Participant for any interest or other costs incurred by the Company relating to the failed and new transactions. If the Authorised Participant fails to reimburse the Company for those charges, the Company and/or Investment Manager will have the right to sell all or part of the applicant's holdings of Shares in the Fund or any other Fund of the Company in order to meet those charges.

A redemption request by an Authorised Participant will only be valid if the Authorised Participant satisfies its settlement obligation to deliver holdings in the required number of Shares in that Fund to the Transfer Agent for settlement in the relevant International Central Securities Depositary by the relevant settlement date. In the event an Authorised Participant fails to deliver the required Shares of the relevant Fund in relation to a redemption within the stated settlement times for the Current Funds (available on the Electronic Order Entry Facility), the Company and/or Investment Manager reserves the right (but shall not be obliged) to treat this as a settlement failure by the Authorised Participant and to cancel the relevant redemption order, and the Authorised Participant shall indemnify the Company for any loss suffered by the Company as a result of a failure by the Authorised Participant to deliver the required Shares in a timely fashion, including (but not limited to) any market exposure and costs suffered by the Fund.

In the event that an Authorised Participant is liable to reimburse a Fund in respect of Duties and Charges (e.g. for any shortfall in the sum paid to the Fund on a subscription or any excess redemption proceeds received from the Fund on a redemption), the Company reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Company as a result of the Authorised Participant's failure to reimburse the Fund in a timely manner after receiving notice of the sum payable.

# PROCEDURE FOR DEALING ON THE SECONDARY MARKET

Shares may be purchased or sold on the Secondary Market by all investors through a relevant recognised stock exchange on which the Shares are admitted to trading, or OTC.

It is expected that the Shares of the Funds will be listed on one or more recognised stock exchanges. The purpose of the listing of the Shares on recognised stock exchanges is to enable investors to purchase and sell Shares on the Secondary Market, normally via a broker/dealer, in any quantity over a minimum of one Share. In accordance with the requirements of the relevant recognised stock exchange, market-makers (which may or may not be Authorised Participants) are expected to provide liquidity and bid and offer prices to facilitate the Secondary Market trading of the Shares.

All investors wishing to purchase or sell Shares of a Fund on the Secondary Market should place their orders via their broker. Orders to purchase Shares in the Secondary Market through the recognised stock exchanges, or OTC, may incur brokerage and/or other costs which are not charged by the Company and over which the Company and the Manager has no control. Such charges are publicly available on the recognised stock exchanges on which the Shares are listed or can be obtained from stockbrokers.

Investors may redeem their Shares through an Authorised Participant by selling their Shares to the Authorised Participant (directly or through a broker).

The price of any Shares traded on the Secondary Market will be determined by the market and prevailing economic conditions which may affect the value of the underlying assets. The market price of a Share listed or traded on a stock exchange may not reflect the Net Asset Value per Share of a Fund.

The Secondary Market dealing timetable depends upon the rules of the exchange upon which the Shares are dealt or the terms of the OTC trade. Please contact your professional advisor or broker for details of the relevant dealing timetable.

**Secondary Market Redemptions**

**As a UCITS ETF, a Fund's Shares purchased on the secondary market cannot usually be sold directly back to the Fund by investors who are not Authorised Participants. Investors who are not Authorised Participants must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees and additional taxes in doing so. In addition, as the market price at which the Shares are traded on the secondary market may differ from the Net Asset Value per Share, investors may pay more than the then current Net Asset Value per Share when buying shares and may receive less than the current Net Asset Value per Share when selling them.**

An investor (that is not an Authorised Participant) shall have the right, subject to compliance with relevant laws and regulations, to request that the Manager buys back its Shares in respect of a Fund in circumstances where the Manager has determined in its sole discretion that the Net Asset Value per Share of the Fund differs significantly to the value of a Share of the Fund traded on the Secondary Market, for example, where no Authorised Participants are acting, or willing to act, in such capacity in respect of the Fund (a "Secondary Market Disruption Event").

If, in the view of the Manager, a Secondary Market Disruption Event exists, the Manager will issue a "Non-AP Buy-Back Notice" and stock exchange announcement(s) containing the terms of acceptance, minimum redemption amount and contact details for the buy-back of Shares.

The buy-back of Shares will be subject to the provisions of the Articles including, without limitation, provisions relating to temporary suspension of the valuation of Shares and the procedure where redemption requests on a Dealing Day amount to Shares representing 10% or more of the Net Asset Value of a Fund. The Manager's agreement to buy back any Shares is conditional on the Shares being delivered back into the account of the transfer agent at the relevant International Central Securities Depositary (or transfer agent at the relevant Central Securities Depositary (CSD) depending on the settlement model for the relevant Shares) and relevant confirmations given by the Common Depositary. The redemption request will be accepted only on delivery of the Shares.

Shares bought back from an investor who is not an Authorised Participant will be redeemed in cash, except where the buy-back request is in respect of Shares representing 5% or more of the Net Asset Value of a Fund, the Directors may, in their sole discretion redeem the Shares by way of a redemption in kind and in such circumstances the Directors will, if requested by the investor, sell the Investments on behalf of the investor. (The cost of the sale can be charged to the investor). Payment is subject to the investor having first completed any required identification and anti-money laundering checks. In kind redemptions may be available at an investor's request at the Manager's absolute discretion.

Redemption orders will be processed on the Dealing Day on which the Shares are received back into the account of the transfer agent by the dealing cut-off time less any applicable Duties and Charges and other reasonable administration costs, provided that the completed buy-back request has also been received.

The Manager may at its complete discretion determine that the Secondary Market Disruption Event is of a long term nature and is unable to be remedied. In that case the Manager may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

Any investor requesting a buyback of its shares in case of a Secondary Market Disruption Event may be subject to taxes as applicable, including any capital gains taxes or transaction taxes. Therefore, it is recommended that prior to making such a request, the investor seeks professional tax advice in relation to the implications of the buyback under the laws of the jurisdiction in which they may be subject to tax.

# GENERAL INFORMATION ON DEALINGS IN THE COMPANY

*(a) Initial Offer of Shares – Clearing and Settlement Structure*

Account Opening Forms for first time applicants and dealing requests must be received during the initial offer period to receive the initial offer price. Arrangements must also be made by that date for the settlement of the transfer of Investments and cash payments within the settlement times available on the Electronic Order Entry Facility (which can range from one to four Business Days).

Shares in the Current Share Classes that are not Launched Share Classes as at the date of this Prospectus (please see pages 19 to 22) will initially be offered between 9.00a.m. (Irish time) on 3 March 2026 and 12.00 noon (Irish time) on 2 September 2026 (which period may be shortened, extended, changed to an earlier date, or changed to a later date by the Directors) and at a fixed price per Share of 5 units of the relevant currency (e.g. USD5) or such other amount determined by the Investment Manager at the relevant time and communicated to investors prior to investment.

The Shares of the Funds comprising Current Share Classes are normally listed on the Official List of the UKLA. Launched Share Classes may be listed on the Official List of the UKLA or an alternative stock exchange (please refer to www.ishares.com for details).

Shares will be issued for a price to be satisfied in cash or, where available, in kind, together with any applicable Duties and Charges. The initial Portfolio Composition File (where relevant) will be available upon request from the Transfer Agent.

*(b) Title to Shares*

As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. Shares will be held by the Common Depositary's Nominee (as registered holder) in registered form. Only persons appearing on the register of Shareholders (i.e. the Common Depositary's Nominee) will be a Shareholder. Fractional Shares will not be issued. No temporary documents of title or Share certificates will be issued (save as provided below). A trade confirmation will be sent by the Transfer Agent to the Authorised Participants.

Shares in the Funds may be issued in or converted to dematerialised (or uncertificated) form. In such circumstances, the relevant Funds will apply for admission for clearing and settlement through an appropriate Recognised Clearing System. As the Company is an Irish company, the operation of a Recognised Clearing System in respect of any dematerialised Shares would be governed by the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.

*(c) Global Clearing And Settlement*

The Directors have resolved that Shares in the Funds will not currently be issued in dematerialised (or uncertificated) form and no temporary documents of title or share certificates will be issued, other than the Global Share Certificate required for the International Central Securities Depositaries (being the Recognised Clearing Systems through which the Funds' Shares will be settled). The Funds have applied for admission for clearing and settlement through the applicable International Central Securities Depositary. The International Central Securities Depositaries for the Funds currently are Euroclear and Clearstream and the applicable International Central Securities Depositary for an investor is dependent on the market in which the Shares are traded. All Shares in the Funds will ultimately settle in an International Central Securities Depositary but interests could be held through Central Securities Depositaries. A Global Share Certificate in respect of each of the Funds or, where applicable, each Share class thereof will be deposited with the Common Depositary (being the entity nominated by the International Central Securities Depositaries to hold the Global Share Certificate) and registered in the name of the Common Depositary's Nominee (being the registered holder of the Shares of the Funds, as nominated by the Common Depositary) on behalf of Euroclear and Clearstream and accepted for clearing through Euroclear and Clearstream. Interests in the Shares represented by the Global Share Certificates will be transferable in accordance with applicable laws and any rules and procedures issued by the International Central Securities Depositaries. Legal title to the Shares of the Funds will be held by the Common Depositary's Nominee.

A purchaser of interests in Shares in the Funds will not be a registered Shareholder in the Company, but will hold an indirect beneficial interest in such Shares and the rights of such investors, where they are Participants, shall be governed by their agreement with their International Central Securities Depositary or, where they are not Participants, shall be governed by their arrangement with their respective nominee, broker or Central Securities Depositary (as appropriate) which may be a Participant or have an arrangement with a Participant. All references herein to actions by holders of the Global Share Certificate will refer to actions taken by the Common Depositary's Nominee as registered Shareholder following instructions from the applicable International Central Securities Depositary upon receipt of instructions from its Participants. All references herein to distributions, notices, reports, and statements to such Shareholder, shall be distributed to the Participants in accordance with such applicable International Central Securities Depositary's procedures.

**International Central Securities Depositaries**

All Shares in issue in the Funds or, where applicable, each Share Class thereof are represented by a Global Share Certificate and the Global Share Certificate is held by the Common Depositary and registered in the name of the Common Depositary's Nominee on behalf of an International Central Securities Depositary. Beneficial interests in such Shares will only be transferable in accordance with the rules and procedures for the time being of the relevant International Central Securities Depositary.

Each Participant must look solely to its International Central Securities Depositary for documentary evidence as to the amount of its interests in any Shares. Any certificate or other document issued by the relevant International Central Securities Depositary, as to the amount of interests in such Shares standing to the account of any person shall be conclusive and binding as accurately representing such records.

Each Participant must look solely to its International Central Securities Depositary for such Participant's share of each payment or distribution made by the Company to or on the instructions of the Common Depositary's Nominee and in relation to all other rights arising under the Global Share Certificate. The extent to which, and the manner in which, Participants may exercise any rights arising under the Global Share Certificate will be determined by the respective rules and procedures of their International Central Securities Depositary. Participants shall have no claim directly against the Company, the Paying Agent or any other person (other than their International Central Securities Depositary) in respect of payments or distributions due under the Global Share Certificate which are made by the Company to or on the instructions of the Common Depositary's Nominee and such obligations of the Company shall be discharged thereby. The International Central Securities Depositary shall have no claim directly against the Company, Paying Agent or any other person (other than the Common Depositary).

The Company or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Shares of the Funds; (b) the identity of any other person or persons then or previously interested in such Shares; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Company with applicable laws or the constitutional documents of the Company.

The Company or its duly authorised agent may from time to time request the applicable International Central Securities Depositary to provide the Company with certain details in relation to Participants that hold interests in Shares in each Fund including (but not limited to): ISIN, ICSD Participant name, ICSD Participant type – e.g. fund/bank/individual, residence of ICSD Participants, number of ETFs and holdings of the Participant within Euroclear and Clearstream, as appropriate, including which Funds, types of Shares and the number of interests in the Shares held by each such Participant, and details of any voting instructions given by each such Participant. Euroclear and Clearstream Participants which are holders of interests in Shares or intermediaries acting on behalf of such holders agree to Euroclear and Clearstream, pursuant to the respective rules and procedures of Euroclear and Clearstream, disclosing such information to the Company or its duly authorised agent. Similarly, the Company or its duly authorised agent may from time to time request any Central Securities Depositary to provide the Company with details in relation to Shares in each Fund or interests in Shares in each Fund held in each Central Securities Depositary and details in relation to the holders of those Shares or interests in Shares, including (without limitation) holder types, residence, number and types of holdings and details of any voting instructions given by each holder. Holders of Shares and interests in Shares in a Central Securities Depositary or intermediaries acting on behalf of such holders agree to the Central Securities Depositary (including Euroclear UK & Ireland (the CREST system), SIX SIS Ltd and Monte Titoli), pursuant to the respective rules and procedures of the relevant Central Securities Depositary, disclosing such information to the Company or its duly authorised agent.

Investors may be required to provide promptly any information as required and requested by the Company or its duly authorised agent, and agree to the applicable International Central Securities Depositary providing the identity of such Participant or investor to the Company or its duly authorised agent upon request.

Notices of general meetings and associated documentation will be issued by the Company to the registered holder of the Global Share Certificate, the Common Depositary's Nominee. Each Participant must look solely to its International Central Securities Depositary and the rules and procedures for the time being of the relevant International Central Securities Depositary governing delivery of such notices and exercising voting rights. For investors, other than Participants, delivery of notices and exercising voting rights shall be governed by the arrangements with a Participant of the International Central Securities Depositary (for example, their nominee, broker or Central Securities Depositories, as appropriate).

**Exercise of Voting Rights through the International Central Securities Depositaries**

The Common Depositary's Nominee has a contractual obligation to promptly notify the Common Depositary of any Shareholder meetings of the Company and to relay any associated documentation issued by the Company to the Common Depositary, which, in turn, has a contractual obligation to relay any such notices and documentation to the relevant International Central Securities Depositary. Each International Central Securities Depositary will, in turn, relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Directors understand that, in accordance with their respective rules and procedures, each International Central Securities Depositary is contractually bound to collate and transfer all votes received from its Participants to the Common Depositary and the Common Depositary is, in turn, contractually bound to collate and transfer all votes received from each International Central Securities Depositary to the Common Depositary's Nominee, which is obligated to vote in accordance with the Common Depositary's voting instructions. Investors who are not Participants in a relevant International Central Securities Depositary would need to rely on their broker, nominee, custodian bank or other intermediary which is a Participant, or which has an arrangement with a Participant, in a relevant International Central Securities Depositary to receive any notices of Shareholder meetings of the Company and to relay their voting instructions to the relevant International Central Securities Depositary.

*(d) Anti-money laundering identification*

The Transfer Agent and/ or Company reserves the right to request further details from Authorised Participant and the Common Depositary's Nominee in order to verify their respective identities. Any such party must notify the Transfer Agent of any change in their details and furnish the Company with whatever additional documents relating to such change as it may request. Amendments to a party's registration details and payment instructions will only be effected upon receipt by the Transfer Agent of original documentation. Failure to provide requested information or notify the Transfer Agent or the Company of any change in details may result in a request for subscription or redemption of shares by such party not being accepted or processed until such time as satisfactory verification of identity is received.

Measures aimed at the prevention of money laundering may require an applicant to provide verification of identity to the Company. This obligation arises unless (i) the application is being made through a recognised financial intermediary; or (ii) payment is made through a banking institution, which in either case is in a country with money laundering regulations equivalent to those in Ireland.

The Company will specify what proof of identity is required, including but not limited to a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in their country of residence, together with evidence of the applicant's address, such as a utility bill or bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), by-laws, memorandum and articles of association (or equivalent), and the names and addresses of all directors and beneficial owners.

It is further acknowledged that the Company, the Investment Manager, the Electronic Order Entry Facility Operator and the Transfer Agent shall be indemnified by the Authorised Participant applicant against any loss arising as a result of a failure to process the subscription if information that has been requested by the Company has not been provided by the applicant.

*(e) Switching*

Switching of Shares from one Fund to another Fund is not available to investors trading on the Secondary Market.

Authorised Participants wishing to switch from one Fund to another Fund on the Primary Market would generally need to redeem or sell their Shares in the Fund and subscribe or purchase Shares in the other Fund.

Where permitted by the Articles, and subject to the prior approval of the Manager, a holder of Shares in a Share Class of a Fund may switch all or some of their Shares of a Share Class of a Fund (the "Original Shares") for Shares of another Share Class in the same Fund (the "New Shares"). Such switching requests may be submitted by Authorised Participants through the Electronic Order Entry Facility, in accordance with the provisions of the "Procedure for Dealing on the Primary Market" section above. Investors which are not Authorised Participants may only submit switching requests via Authorised Participants.

The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the Valuation Points applicable at the time the Original Shares are repurchased and the New Shares are issued, after deducting the costs of undertaking the switch.

No switches will be made during any period in which the rights of Shareholders to deal in the Shares of the relevant Fund are suspended. Switching requests may be submitted by Authorised Participants through the Electronic Order Entry Facility before the cut off time for the Original Shares and the New Shares (see the dealing timetable above for dealing request cut off times). Any applications received after the applicable time will normally be held over until the next Dealing Day but may be accepted in exceptional circumstances for dealing on the relevant Dealing

Day at the discretion of the Manager provided they are received prior to the Valuation Point.

The number of New Shares to be issued will be calculated in accordance with the following formula:

$$A + B = \frac{C \times (D-E)}{F}$$

Where:

| | |
|---|---|
| **A =** | **number of New Shares to be allocated** |
| B = | balancing cash amount |
| C = | number of Original Shares switched |
| D = | redemption price per Original Share on the relevant Dealing Day |
| E = | the transaction costs incurred as a result of the switching trade, as calculated at the Manager's absolute discretion |
| F = | subscription price per New Share on the relevant Dealing Day |

As a result of a switch, an Authorised Participant will in almost all circumstances be entitled to a fraction of a New Share. As Shares cannot be issued in fractional amounts, the value of the fraction of the New Share will be paid to / received from (as appropriate) the Authorised Participant by the Company.

*(f) Transfer of Shares*

All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor (i.e. the seller of Shares) and the transferee (i.e. the purchaser of Shares). The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof.

To the extent Shares are issued in dematerialised form, such Shares may also be transferred in accordance with the rules of the relevant Recognised Clearing System. Persons dealing in Recognised Clearing Systems may be required to provide a representation that any transferee is a Qualified Holder. The Directors may decline to register any transfer of Shares to any person or entity that is not a Qualified Holder.

If in consequence of a transfer the transferor or transferee would hold less than the relevant minimum holding, if there is such a minimum holding, or would otherwise infringe the restrictions on holding Shares outlined above or if the transfer might result in the Company incurring any liability to taxation or suffering pecuniary disadvantages which the Company might not otherwise have incurred or suffered, or the Company being required to register under the 1940 Act (or similar successor statute), or to register any class of Shares under the 1933 Act (or similar successor statute), the Directors may decline to register the transfer of a Share to such person. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferee will be required to complete an Account Opening Form which includes a declaration that the proposed transferee is not a US Person or is acquiring Shares on behalf of a US Person.

*(g) Confirmations*

A written confirmation of trade will be sent to the Authorised Participant following the Dealing Day. Shares will not normally be issued until such time as the Company is satisfied with all the information and documentation required to identify the applicant and is satisfied that the relevant Investments and Cash Component for in kind subscriptions or cash for cash subscriptions (including directed cash subscriptions) have been received by it.

*(h) Mandatory Redemption of Shares*

Investors are required to notify the Company immediately in the event that they cease to be Qualified Holders. Investors who cease to be Qualified Holders will be required to dispose of their Shares to Qualified Holders on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption which would allow them to hold the Shares. The Company reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly, by a non Qualified Holder. If any investor or beneficial owner of any Shares fails to disclose information requested by the Company regarding such investor or beneficial owner and, due to such non-disclosure or inadequate disclosure, the Directors believe that there is an issue regarding such person being a non-Qualified Holder, the Company shall have the right to redeem or require the transfer (in accordance with the provisions of the Articles) of the Shares held by or for the benefit of such person.

If the Company becomes aware that any Shares are or might be held by a person who is not a Qualified Holder it may redeem such Shares on notice in writing to the investor concerned. The Investments which would otherwise have been transferred to the investor will be liquidated and the investor will receive the proceeds less any costs incurred. In addition, the Company may impose a penalty to compensate or indemnify the Company, the Manager and the Investment Manager for any loss the Company has suffered (or may suffer) in respect of the holding of Shares by or on behalf of such non-Qualified Holder. The Company shall also have the right to require any person breaching the provisions of the Prospectus to indemnify the Company, the Manager and the Investment Manager from any losses or claims suffered or incurred by any of them in connection with such breach. Such amount may be deducted from the redemption proceeds.

In circumstances where a Fund is unable to replicate the relevant Benchmark Index and unable to substitute another index for the Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate a Fund.

In circumstances where it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

In circumstances where the Directors consider compulsory redemption to be in the interests of the Company, a Fund or the investors of a Fund, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

The Company shall have the right to redeem, without the imposition of any penalty on the Company, Shares of a particular Share Class:

(i) where the holders of Shares approve of the redemption of the Shares of the relevant class by way of written resolution or where not less than 75% of the votes cast approve of the redemption of the Shares at a general meeting of the relevant Share Class, of which not more than twelve and not less than four weeks notice has been given;
(ii) at the discretion of the Directors, after the first anniversary of the first issue of Shares of the relevant Share Class if the Net Asset Value of the relevant Share Class falls below Stg£100,000,000 or, in the case of a Currency Hedged Share Class, below Stg£2,000,000;
(iii) at the discretion of the Directors, if the Share Class ceases to be listed on a recognised stock exchange;
(iv) at the discretion of the Directors provided that Shareholder notice of not less than four and not more than six weeks has been given that all of the Shares in that Share Class shall be redeemed by the Company.

If within 90 days from the date of the Depositary serving notice of termination of the Depositary Agreement another depositary acceptable to the Company and the Central Bank has not been appointed to act as depositary, the Company shall serve notice on all holders of its intention to redeem all Shares then in issue on the date specified in such notice, which date shall not be less than one month nor more than three months after the date of service of such notice.

*(i) Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching*

The Company may temporarily suspend the determination of the Net Asset Value and the issue, switching and/or redemption of Shares in the Company or any Fund during:

(i) any period (other than ordinary holiday or customary weekend closings) when any of the principal markets on which any significant portion of the Investments of the relevant Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange or market is restricted or suspended;
(ii) any period when circumstances exist as a result of which any disposal or valuation of Investments of the Company or the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being seriously detrimental to the interests of owners of Shares in general or owners of Shares of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value cannot fairly be calculated or such disposal would be materially prejudicial to the owners of Shares in general or owners of Shares of the relevant Fund;
(iii) any period when there is any breakdown in the means of communication normally employed in determining the price of any of the Company's or a Fund's Investments or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot be reasonably, promptly or accurately ascertained;
(iv) any period during which the Company is unable to repatriate funds required for the purpose of making redemption payments due or when such payments or the acquisition or realisation of Investments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties, in the transfer of monies or assets required for subscriptions, redemptions or trading;

(v) any period when the proceeds of the sale or redemption of Shares cannot be transmitted to or from the Company or the Fund's account;
(vi) upon the publication of a notice convening a general meeting of the Company for the purposes of resolving to wind up the Company or terminate a Fund or Share Class;
(vii) any period when it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index;
(viii) any period in which a counterparty with which the Company has entered into a swap transaction is unable to make any payment due or owing under the swap, including where it is unable to repatriate or exchange at a reasonable rate the proceeds of its underlying hedge;
(ix) any period when the Directors, in their discretion, consider suspension to be in the interests of the Company, a Fund or the Shareholders of a Fund; or
(x) any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Fund or of the Company.

Any such suspension shall be published by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby, and shall be notified immediately (and in any event during the Business Day on which the suspension took place) to the Central Bank and to the competent authorities in the Member States in which the Shares are marketed. Where practicable, the Company shall take all reasonable steps to bring such a suspension to an end as soon as possible.

No Shares of a Fund will be issued or allotted during a period when the determination of the Net Asset Value of that Fund is suspended.

*(j) Termination of a Fund*

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depositary in any of the following events:

(i) if at any time the Net Asset Value of the relevant Fund falls below Stg£100,000,000;
(ii) if any Fund shall cease to be authorised or otherwise officially approved; or
(iii) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
(iv) if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of the Fund; or
(v) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions (including a Secondary Market Disruption Event) and the best interests of the Shareholders; or
(vi) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index; or
(vii) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, for a Fund to track or replicate the relevant Benchmark Index and / or to substitute another index for the Benchmark Index.

The Directors shall give notice of termination of a Fund or a Share Class to the Common Depositary's Nominee, and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.

With effect on and from the date as at which any Fund is to terminate or in the case of (i) below such other date as the Directors may determine:

(i) no Shares of the relevant Fund may be issued or sold by the Company;
(ii) the Investment Manager or sub-investment manager shall, on the instructions of the Directors, realise all the assets then comprised in the relevant Fund (which realisation shall be carried out and completed in such manner and within such period after the termination of the relevant Fund as the Directors think advisable);
(iii) the Depositary shall, on the instructions of the Directors from time to time, distribute to the Shareholders in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund and available for the purpose of such distribution, provided that the Depositary shall be entitled to retain out of any monies in its hands as part of the relevant Fund full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Depositary or the Directors in connection with or arising out of the termination of the relevant Fund and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands; and

(iv) Every such distribution referred to at (iii) above shall be made in such manner as the Directors shall, in their sole and absolute discretion, determine upon delivery to the Depositary of such form of request for payment as the Depositary shall in its absolute discretion require. Any payment of unclaimed proceeds or other cash will be made in accordance with the requirements of the Central Bank.

The Directors shall have the power to propose and implement a reconstruction and/or amalgamation of the Company or any Fund(s) on such terms and conditions as are approved by the Directors subject to the following conditions namely:

(i) that the prior approval of the Central Bank has been obtained; and
(ii) that the holders of Shares in the relevant Fund or Funds have been circulated with particulars of the scheme of reconstruction and/or amalgamation in a form approved by the Directors and a special resolution of the holders of Shares in the relevant Fund or Funds has been passed approving the said scheme.

The relevant scheme of reconstruction and/or amalgamation shall take effect upon such conditions being satisfied or upon such later date as the scheme may provide or as the Directors may determine whereupon the terms of such scheme shall be binding upon all the Shareholders and the Directors shall have the power to and shall do all such acts and things as may be necessary for the implementation thereof.

*(k) Seeding Arrangements*

The Investment Manager may place a Fund that is below scale into a seeding programme. Under such programme, the Investment Manager and the Affiliates may pay a seeding fee to investors and market participants who commit to invest a minimum amount of investment capital, and to hold such investment for an agreed time period, to grow or regrow such Fund to scale. Any seeding fees paid by the Investment Manager and the Affiliates will be borne by the Investment Manager and the Affiliates respectively and will not be charged to the relevant Fund or to the Company as an extra cost. The Investment Manager believes that putting in place such a programme to grow small-sized Funds will give rise to benefits for other investors in such Funds.

Companies of the BlackRock Group and/or other collective investment schemes or segregated mandates managed by them may also provide seeding services to the Funds under the seeding programme.

**Operation of the Subscription and Redemption Collection Account**

All subscriptions into and redemptions and distributions due from the Funds will be paid into the Umbrella Cash Collection Account. Monies in the Umbrella Cash Collection Account, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or distributions, the relevant Authorised Participant will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscriptions amounts paid into the Umbrella Cash Collection Account, will be paid into an account in the name of the relevant Fund on the contractual settlement date. Where subscription monies are received in the Umbrella Cash Collection Account, without sufficient documentation to identify the Authorised Participant or the relevant Fund, such monies shall be returned to the relevant Authorised Participant within five (5) Business Days and as specified in the operating procedure in respect of the Umbrella Cash Collection Account.

Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Account, until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Authorised Participants.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the Umbrella Cash Collection Account, is at the Authorised Participant's risk.

The Umbrella Cash Collection Account has been opened in the name of the Company. The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account, and for ensuring that relevant amounts in the Umbrella Cash Collection Account are attributable to the appropriate Funds.

The Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the participating Funds, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be

followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of monies attributable to another Fund due to timing differences.

## FUND EXPENSES

The Company employs an "all in one" fee structure for its Funds (and Share Classes). Each Fund pays all of its fees, operating costs and expenses (and its due proportion of any costs and expenses of the Company allocated to it) as a single flat fee (the "Total Expense Ratio" or "TER"). Where a Fund has multiple Share Classes, any fees, operating costs and expenses which are attributable to a particular Share Class (rather than the entire Fund) will be deducted from the assets notionally allocated by the Fund to that Share Class. Expenses paid out of the TER include, but are not limited to, fees and expenses paid to the Manager, regulators and auditors and certain legal expenses of the Company, but exclude transaction costs and extraordinary legal costs. The Total Expense Ratio for a Fund or Share Class is calculated and accrued daily from the current Net Asset Value of the relevant Fund or Share Class as follows and shall be payable monthly in arrears:

| **Fund** | **Fund / Share Classes** | **TER** |
|---|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | Unhedged Fund | 0.07% |
| Shares $ Treasury Bond 3-7yr UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | Unhedged Fund | 0.07% |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | Unhedged Fund | 0.15% |
| iShares € Govt Bond 3-7yr UCITS ETF | Unhedged Share Classes | 0.15% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | Unhedged Fund | 0.15% |
| iShares Core EURO STOXX 50 UCITS ETF | Unhedged Share Classes | 0.10% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | Unhedged Fund | 0.07% |
| iShares Core MSCI EMU UCITS ETF | Unhedged Share Classes | 0.12% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core S&P 500 UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Dow Jones Industrial Average UCITS ETF | Unhedged Share Classes | 0.33% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | Unhedged Share Classes | 0.33% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares FTSE MIB UCITS ETF EUR (Acc) | Unhedged Share Classes | 0.33% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Canada UCITS ETF | Unhedged Share Classes | 0.48% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI EM Asia UCITS ETF | Unhedged Share Classes | 0.65% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | Currency Hedged Fund | 0.38% |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | Unhedged Share Classes | 0.15% |
| | Currency Hedged Share Classes | Up to 1.00% |
| iShares MSCI EMU Small Cap UCITS ETF | Unhedged Share Classes | 0.58% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | Currency Hedged Fund | 0.38% |
| iShares MSCI Japan UCITS ETF | Unhedged Share Classes | 0.48% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Korea UCITS ETF USD (Acc) | Unhedged Share Classes | 0.65% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Mexico Capped UCITS ETF | Unhedged Share Classes | 0.65% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI UK Small Cap UCITS ETF | Unhedged Share Classes | 0.58% |

| Fund | Fund / Share Classes | TER |
|---|---|---|
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares MSCI UK UCITS ETF | Unhedged Share Classes | 0.33% |
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | Unhedged Share Classes | 0.43% |
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares MSCI USA UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | Unhedged Share Classes | 0.30% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Nasdaq 100 Top 30 UCITS ETF | Unhedged Share Classes | 0.30% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares NASDAQ 100 UCITS ETF | Unhedged Share Classes | 0.30% |
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares Nikkei 225 UCITS ETF | Unhedged Share Classes | 0.48% |
| | Currency Hedged Share Classes | Up to 1.00%***** |
| iShares Russell 1000 Growth UCITS ETF | Unhedged Share Classes | 0.18% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Russell 1000 Value UCITS ETF | Unhedged Share Classes | 0.18% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares 3% Capped UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00% |
| iShares S&P 500 Top 20 UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |

***** For the current TER charged on each Share Class please refer to its KIID or KID and/or the product pages of the website at www.ishares.com.

The Manager is responsible for discharging all operational expenses, including but not limited to, fees and expenses of the Directors, Investment Manager, Depositary, Administrator and Transfer Agent from the amounts received by the Manager from the Total Expense Ratio. Such operational expenses include regulatory and audit fees but exclude transaction costs and extraordinary legal costs. Directors' fees will not exceed the sum of €40,000 per annum per Director without the approval of the Board of Directors. The BlackRock Group employees serving as Directors of the Company or the Manager are not entitled to receive Directors' fees.

In the event the costs and expenses of a Fund or Share Class that are intended to be covered within the TER exceed the stated TER, the Manager will discharge any excess amounts out of its own assets. The establishment costs of the Company have been, and the establishment costs of the Current Funds and Share Classes have been and will be, paid by the Manager.

Whilst it is anticipated that the TER borne by a Fund or Share Class shall not exceed the amounts set out above during the life of the Fund or Share Class (respectively) such amounts may need to be increased. Any such increase will be subject to the prior Shareholder approval of the relevant Fund or Share Class. Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds, including their Share Classes.

Save as disclosed above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any Shares of the Company.

## DIVIDEND POLICY

The Company intends to declare dividends pursuant to this Prospectus on the Shares of the Distributing Share Classes. Dividends may be paid out of the total income of the applicable Distributing Share Class net of any relevant expenses in respect of each financial year. Dividends will normally be declared with a view to being paid either monthly, quarterly or semi-annually. No smoothing of dividends will be applied across the dividend payments in a calendar year. The dividend payment frequency for each Distributing Share Class is as follows (please refer to www.ishares.com for further information on the dividend payment dates).

Distributions will not be made in respect of Accumulating Share Classes and income and other profits will be accumulated and reinvested.

| **Fund** | **Frequency of Distributions for Distributing Funds / Share Classes** | **Months of Distributions** |
|---|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | Non-Distributing | N/A |
| iShares $ Treasury Bond 3-7yr UCITS ETF | Semi-Annually | August, February |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | Non-Distributing | N/A |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | Non-Distributing | N/A |
| iShares € Govt Bond 3-7yr UCITS ETF | Semi-Annually | August, February |
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | Non-Distributing | N/A |
| iShares Core EURO STOXX 50 UCITS ETF | Semi-Annually | August, February |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | Non-Distributing | N/A |
| iShares Core MSCI EMU UCITS ETF | Semi-Annually | August, February |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | Semi-Annually | August, February |
| iShares Core S&P 500 UCITS ETF | Semi-Annually | August, February |
| iShares Dow Jones Industrial Average UCITS ETF | Semi-Annually | August, February |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | Semi-Annually | August, February |
| iShares FTSE MIB UCITS ETF EUR (Acc) | Non-Distributing | N/A |
| iShares MSCI Canada UCITS ETF | Semi-Annually | August, February |
| iShares MSCI EM Asia UCITS ETF | Semi-Annually | August, February |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | Non-Distributing | N/A |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | Semi-Annually | August, February |
| iShares MSCI EMU Small Cap UCITS ETF | Semi-Annually | August, February |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | Non-Distributing | N/A |
| iShares MSCI Japan UCITS ETF | Semi-Annually | August, February |
| iShares MSCI Korea UCITS ETF USD (Acc) | Non-Distributing | N/A |
| iShares MSCI Mexico Capped UCITS ETF | Semi-Annually | August, February |
| iShares MSCI UK Small Cap UCITS ETF | Semi-Annually | August, February |
| iShares MSCI UK UCITS ETF | Semi-Annually | August, February |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | Semi-Annually | August, February |
| iShares MSCI USA UCITS ETF | Semi-Annually | August, February |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | Semi-Annually | August and February |
| iShares Nasdaq 100 Top 30 UCITS ETF | Semi-Annually | August and February |
| iShares NASDAQ 100 UCITS ETF | Semi-Annually | August, February |
| iShares Nikkei 225 UCITS ETF | Semi-Annually | August, February |
| iShares Russell 1000 Growth UCITS ETF | Semi-Annually | August, February |
| iShares Russell 1000 Value UCITS ETF | Semi-Annually | August, February |
| iShares S&P 500 3% Capped UCITS ETF | Semi-Annually | August, February |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | Semi-Annually | August, February |
| iShares S&P 500 Top 20 UCITS ETF | Semi-Annually | August and February |

Full details of any change to the dividend policy will be provided in an updated Prospectus or Supplement and a

Shareholder notice will be issued in advance.

Any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company and become the property of the relevant Fund.

Dividends for Distributing Share Classes will be declared in the Valuation Currency of the relevant Share Class. Investors who wish to receive dividend payments in a currency other than the Base Currency or Valuation Currency should arrange this with the relevant International Central Securities Depositary (subject to this option being made available by the relevant International Central Securities Depositary). Any foreign exchange conversions of dividend payments are not the responsibility of the Company and are at the cost and risk of the investors.

## GENUINE DIVERSITY OF OWNERSHIP CONDITION

Shares in each of the Funds shall be widely available. The intended categories of investors for the Funds are those directly investing through the Primary Market creation mechanism as set out in this Prospectus or indirectly by investment through recognised exchanges on which the Funds' Shares are listed or through OTC transactions. Shares in the Funds shall be marketed and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

# MANAGEMENT OF THE COMPANY

**The Board of Directors**

The Directors control the affairs of the Company and are responsible for the overall investment policy which will be determined by them and provided to the Manager. The Directors have delegated certain duties and responsibilities to the Manager with regards to the day-to-day management of the Company. The Manager has delegated certain of these responsibilities to the Investment Manager, Administrator and Transfer Agent.

The Directors are all non-executive directors of the Company and their address is the registered office of the Company. The Board of Directors of the Company is as follows:

***William McKechnie (Irish) Chairman of the Board, Independent Non-Executive Director, member of the Nomination Committee:*** Mr McKechnie was an Irish judge who served as a member of the Irish High Court and a senior member of the Irish Supreme Court until April 2021. He is also a former chairperson of the Valuation Tribunal of Ireland, the general Bar of Ireland, the Judicial Studies Institute Journal and was a member of the Court Services Board for a number of years. In addition, he served as President/Chairperson of the Association of European Competition Law Judges.

Currently Mr McKechnie is also a visiting Professor at the College of Europe (Bruges), and has lectured on a diverse range of topics at different universities, courts and institutions, such as the European University Institute of Florence, the Florence School of Regulation (Energy, Climate, Communications and Media), the European Commission and in the constituent universities of the NUI. He is a member of Advisory Committee at the European Law Institute in respect of Artificial Intelligence and Public Administration and is a member of the project team regarding Block Chain Technology and Smart Contracts.

Mr McKechnie holds a Bachelor of Civil Law Degree, a Barrister of Law Degree, Senior Counsel and a Master's Degree in European Law and is a CEDR Accredited Mediator.

***Ros O'Shea (Irish) Independent Non-Executive Director, member of the Audit Committee and Nomination Committee:*** Ms O'Shea is an Independent Non-Executive Director with a portfolio of board positions, including the Bank of Montreal (Europe) plc, having previously served on the boards of Pieta House, the Food Safety Authority of Ireland and the Royal Victoria Eye & Ear Hospital. Ros is also a partner in consulting firm Board Excellence Ltd, which provides a range of services designed to empower boards to excel in governance effectiveness and performance and she lectures on corporate governance and related topics with UCD Smurfit Graduate School of Business. Previously, Ros enjoyed a highly successful executive career with two of Ireland's largest companies, both FTSE100 companies: CRH plc, where she was Head of Group Compliance & Ethics and Smurfit Kappa Group plc. Ros has first class honours bachelor and masters degrees in business from UCD, a Professional Diploma in Corporate Governance from UCD Smurfit Graduate School of Business and is an associate of the Institute of Tax and a fellow of the Institute of Chartered Accountants, having trained with PwC. She is also a graduate of the Value Creation through Effective Boards programme at Harvard Business School and is a Certified Bank Director. Furthermore, Ros is the author of the book, "Leading with Integrity – a Practical Guide to Business Ethics" and is a regular contributor to news and print media on related topics.

***Deirdre Somers (Irish) Independent Non-Executive Director, Member of the Audit Committee and Member of the Nomination Committee:*** Ms Somers is an Independent Non-Executive Director with a portfolio of board positions. She currently serves as independent non-executive director and Audit Committee and Nominations Committee chair for Kenmare Resources, and is Chair of Cancer Trials Ireland. Previously, she served on the boards of Enfusion Inc and Aquis plc, the latter as Chair, stepping down when both companies were acquired. She also served on the board of Episode Inc- a macro hedge fund. Prior to 2018, she was the CEO and Executive Director of the Irish Stock Exchange (ISE) from 2007 until its sale to Euronext NV in early 2018. She stepped down as CEO Euronext Dublin and Group Head of Debt, Funds & ETFs in late 2018. Joining the ISE in 1995, Ms Somers held various management positions, including Director of Listing (2000-2007) and Head of Policy (1995-2000), building global positions in funds and fixed income listings. She served as member of the National Council of IBEC from 2013-2018, Governor of University College Cork from 2008-2012, and a Member of the Taoiseach's Clearing House Group from 2007-2015. A Fellow of the Institute of Chartered Accountants in Ireland, she graduated with a Bachelor of Commerce degree in 1987.

***Padraig Kenny (Irish) Independent Non-Executive Director:*** Mr. Kenny has 35 years of experience in the financial services industry, with 30 of those years at the level of Managing Director and Chief Executive. Beginning his career in aviation finance, Mr. Kenny concentrated on the Asset Management and Securities Services industries for several leading international banks, including Irish, North American, and European institutions. His major responsibilities included institutional portfolio management, facilitating Bank of Ireland Asset Management's entry into international markets, and the establishment or transformation of Global Securities Services businesses in Ireland for Bankers Trust (US) and Royal Bank of Canada, both of which focused on servicing the UCITS market for regulated investment funds. Additionally, he was instrumental in the establishment and expansion, both organic and non-organic, of the Asset Management business of Unicredit Group in Europe and the US. Throughout his

career, Mr. Kenny held positions that were subject to rigorous local and international regulatory oversight and a wide range of corporate and investment fund frameworks.

Mr. Kenny is currently focused on Business Transformation Leadership.

Mr. Kenny graduated in Law from University College Dublin, qualified professionally in Ireland as a Solicitor, received a Professional Diploma in Corporate Governance from the UCD Smurfit Business School, earned an MSc from UCD Smurfit Business School, and is a former Chairman of the Irish Funds industry association.

***Manuela Sperandeo (Italian nationality, UK resident) Non-Executive Director:*** Ms Sperandeo is Head of Europe & Middle East iShares Product at BlackRock and is responsible for driving the product innovation agenda for the index business and developing new product opportunities. Previously, Ms Sperandeo was Global Head of Sustainable Indexing, responsible for driving the sustainable strategy for BlackRock's indexing business including product innovation, research and client engagement. Prior to this, Ms Sperandeo was Head of Factor, Sustainable and Thematic ETFs, in charge of these product segments for the EMEA region. Ms Sperandeo joined Blackrock in April 2014 from Barclays, where she spent 6 years working across several roles in the Investment Bank and the Wealth and Investment Management divisions. Most recently Ms Sperandeo was a Director at Barclays Capital Fund Solutions, an asset management business specializing in absolute return and alternative indexation strategies. Prior to Barclays she worked as an investment analyst at Alpstar, a credit hedge fund and as a Structured Derivatives Sales at Credit Suisse. Ms Sperandeo has been a founding board member of the European chapter of Women in ETFs. Ms Sperandeo earned an Economics Degree, with distinction, from Bocconi University in Milan and an MBA from Harvard Business School.

**The Manager**

The Company has appointed BlackRock Asset Management Ireland Limited as its manager pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the Company's affairs and the distribution of the Shares, subject to the overall supervision and control of the Directors.

The Remuneration Policy of the Manager sets out the policies and practices that are consistent with and promote sound and effective risk management. It includes a description as to how remuneration and benefits are calculated and identifies those individuals responsible for awarding remuneration and benefits including the composition of the remuneration committee, should one be established. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company and does not impair compliance with the Manager's duty to act in the best interest of the investors of the Company. The Remuneration Policy includes fixed and variable components of salaries and discretionary pension benefits. The Remuneration Policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profile of the Company. The Remuneration Policy is available on the individual Fund pages at www.blackrock.com (select the relevant Fund in the "Product" section and then select "All Documents") or a paper copy is available upon request and free of charge from the registered office of the Manager.

The board of directors of the Manager is as follows:

***Rosemary Quinlan - Chair of the Board, Independent Non-Executive Director, (Irish):*** Ms Quinlan is a Chartered Director and a Certified Bank and Fund Director. She has been an Independent Board Director since 2013 and an Executive Board Director since 2006. Ms Quinlan has over 35 years' experience working with global financial services companies. She was appointed Chair of the Board of BlackRock Asset Management Ireland Ltd. in June 2022 where she also Chairs the Nominations and Governance Committee. Ms. Quinlan was appointed Chair of Citi Europe plc (ECB) in June 2025, where she also Chairs the Nomination Committee. Ms Quinlan also currently Chairs the Board Risk Committee of AXA Ireland DAC (CBI) and sits on the Board of AXA Ireland Limited. Ms. Quinlan sits on the Board of Dodge & Cox Funds Worldwide plc (CBI).

Most recently (2023) Ms Quinlan was the Chair of the Board Risk Committee of Ulster Bank Ireland DAC(SSM/CBI) and was Chair of the Board of JP Morgan Money Markets Ltd. (FCA) and JP Morgan Ireland PLC (2022) (CBI). Previously she was a Board member and Committee Chair with RSA Insurance Ireland DAC, Prudential International Assurance PLC, Ulster Bank Ltd and HSBC Securities Services Ireland DAC. Ms Quinlan held Executive roles with HSBC Bank plc, ABN AMRO BV, Citi and NatWest in London, New York, Amsterdam, Chicago and in Dublin (when she relocated to Ireland in 2006). Ms Quinlan holds a Bachelor of Commerce from University College Cork.

***Justin Mealy - Executive Director, (Irish)****:* Director since 2015. Mr. Mealy, Managing Director, is Head of Investment Oversight EMEA at BlackRock, the group responsible for the oversight, supervision and due diligence of investment management (Product, Performance and Platform) on behalf of AIFMD, UCITS and MIFID Management Company boards within the EU and UK. He serves as an Executive Director of BlackRock Asset Management Ireland Limited and is a member of its Investment Committee and of the firm's executive Management Committee. He is a voting member of the Product Development Committee of BlackRock Investment Management

UK Limited.

Previously he has served as Designated Person for Investment Management of BlackRock Asset Management Ireland Limited and Dirigeant Effectif for BlackRock France SAS, the group's AIFMD Manager in Paris focused on private equity, private credit, real estate and other alternatives.

Before joining BlackRock, Mr. Mealy was Managing Director at Geneva Trading for 8 years where he served as Head of its European and Asian businesses and Global Head of Risk responsible for the implementation, control and performance management of its global trading and derivatives market-making activities. Prior to this position he was engaged in CP origination and fixed income dealing with Landesbank Hessen Thueringen (Helaba), followed by positions in proprietary trading and markets technology, including several years in Singapore as COO Asia Pacific with International Financial Systems and later in Tokyo within the Fixed Income, Rates and Currencies division of UBS Securities Japan.

Mr. Mealy is a graduate of Business & Law at University College Dublin, 1997 and is a certified FRM.

***Adele Spillane – Non-Executive Director, (Irish)****:* Ms Spillane is a Chartered Director and has close to 30 years' experience in financial services as well as significant governance experience. She currently serves as a Non-Executive Director ('NED') and Chairs the Investment Committee for BlackRock Asset Management Ireland Limited. Ms Spillane is also Chair and NED of Fisher Investments Ireland and also sits on the Boards of NBK Wealth Investment Management Ltd and Janus Henderson Capital Funds plc. Ms Spillane is also a Board Director, Treasurer and Chair of the Finance, Quality, Audit & Risk Committee of the charity, Care Alliance Ireland.

In her executive career, Ms Spillane was Managing Director and Head of BlackRock's Institutional Client Business in Ireland from 2011 to 2023, as well as serving as an Executive Director on their ManCo. Ms Spillane's roles in sales and distribution at BlackRock date back to 1995, including her years with Barclays Global Investors in San Francisco up to 2002 and London to 2011 where she was a senior client director for BlackRock's largest UK institutional investors. Ms Spillane has a Commerce degree, with honours, from University College Dublin. She became a CFA charterholder in 2000 and a Chartered Director in 2023.

***Catherine Woods - Independent Non-Executive Director and Chair of the Risk Committee, (Irish)***: Director since 2018. Ms. Woods has over 30 years' experience in financial services, as well as significant governance experience. Her executive career was with JP Morgan in the City of London, specialising in European Financial Institutions. She is a former Vice President and Head of the JP Morgan European Banks Equity Research Team, where her mandates included the recapitalisation of Lloyds' of London and the re-privatisation of Scandinavian banks. She also acts as a non-executive director for Lloyds Banking Group.

She was previously appointed by the Irish Government to the Electronic Communications Appeals Panel and the Adjudication Panel to oversee the rollout of the National Broadband scheme. Ms Woods is the former Chair of Beazley Insurance DAC, former Director of Beazley plc, former Deputy Chairman of AIB Group plc, former Chair of EBS DAC and former Director of AIB Mortgage Bank and An Post.

She holds a First Class Honours Economics Degree from Trinity College Dublin and a Chartered Director Diploma with distinction.

***Enda McMahon*** - ***Executive Director & CEO, (Irish)****:* Mr McMahon is CEO and Executive Board Director of BlackRock Asset Management Ireland Limited. He is also Head of International Product Oversight and Governance for BlackRock. Enda is responsible, in partnership with his EMEA Board Governance colleagues and other stakeholders, for establishing and expanding best practices in International Product Oversight and Governance, including Service Provider and Investment Oversight. He was previously responsible for managing the EMEA Compliance Department, which is comprised of over one hundred Compliance professionals across the region, and responsible for the design and delivery of all aspects of the Compliance Strategy and Compliance Programme, facilitating the continuation of BlackRock's strong regulatory record and reputation and protecting the best interests of clients. Mr McMahon is taking over as Chair of the Irish Association of Investment Managers in January 2026 and is current Chair of the Irish Funds and Asset Management Steering Group (previously known as the IFSC Funds Group), which was established by the Department of An Taoiseach (Irish Prime Minister) to consider and advise on legislative and other changes which are necessary or desirable to facilitate the continued growth of the Irish investment funds industry. He is a former Board member of a number of MiFID Investment Firms, UCITS Management Companies and Investment Fund Companies in both Ireland and the U.K. during his time at Bank of Ireland Asset Management and State Street Global Advisors. Mr McMahon joined BlackRock in December 2013 from State Street Global Advisors (SSgA), where he was EMEA Head of Compliance, prior to which he was Global Chief Compliance Officer for Bank of Ireland Asset Management and Regulatory Inspection Leader with the Central Bank of Ireland. He has over 30 years of relevant experience overall having also worked professionally as an Auditor with the Office of the Comptroller and Auditor General and as an Accountant with Eagle Star. A member of the Chartered Institute of Management Accountants and the U.K. Chartered Institute for Securities and Investment, Enda also holds the CGMA designation. His studies also include the exams of the Master of Science in Investment and Treasury in Dublin City University Business School and Law in the Honourable Society of King's Inns.

***Michael Hodson - Independent Non-Executive Director and Chair of the Accounts Review Committee, (Irish):*** Director since 2022. Michael Hodson is an Independent Non-Executive Director since 2021.

Michael is on the boards of Mediolanum International Funds, MSIM Fund Management (Morgan Stanley subsidiary), Blackrock Asset Management Ireland Ltd. and Wells Fargo International Bank. He currently chairs the audit committees for MSIM Fund Management, Blackrock Asset Management and Wells Fargo , in addition to chairing the Investment Oversight Committee for MSIM Fund Management. Michael also sits on the board of the Irish Association of Investment Managers.

His executive career included the Central Bank of Ireland from 2011 to 2020 where he held a number of senior roles culminating in Director of Asset Management and Investment Banking. In that role Mr. Hodson was responsible for the authorisation and supervision of a wide range of entity types, including large investment banks, Mifid investment firms, fund service providers and market infrastructure firms. Mr. Hodson is a qualified accountant having trained with Lifetime, the life assurance arm of Bank of Ireland and has a Diploma in Corporate Governance from Michael Smurfit Business School. Following Lifetime Mr. Hodson moved into various roles in the Irish stockbroking sector. Mr. Hodson had roles in NCB Stockbrokers, Fexco Stockbroking and was a founding shareholder of Merrion Capital Group where he held the role of Finance Director from 1999 to 2009 and was CEO in 2010.

***Maria Ging - Executive Director, (Irish):*** Director since 2023. Ms. Ging is a Managing Director at BlackRock. She is the Head of EMEA UCITS for the Global Accounting and Product Services Function. Ms Ging is responsible for product oversight of UCITS and AIFs domiciled in EMEA. She leads teams across EMEA who focus on accounting change management, risk management and exception management for over 1,200 funds domiciled primarily in Ireland, UK and Luxembourg. In 2019 Ms. Ging was elected by her industry peers to the Council of Irish Funds (the representative body for the International Investment Fund Community in Ireland) and was further elected as Chair of the Council serving from September 2021-2022.

Previously Ms. Ging led the Alternatives Fund Accounting Oversight Team for BlackRock in Dublin managing fund accounting, operational risk and product change for BlackRock. During her tenure with BlackRock Ms. Ging's responsibilities have also included Mutual Fund Oversight supporting the Irish domiciled pooled funds, and Financial Reporting Oversight. Prior to joining BlackRock in 2012, Ms. Ging spent seven years with KPMG Dublin most recently working as an Associate Director providing Audit and Assurance services to asset management, banking, financing, leasing and private equity clients. Ms Ging is a Fellow Chartered Accountant holding a Masters in Accounting and a Bachelor of Business and Legal Studies Degree, both from University College Dublin.

The Manager has delegated the performance of the investment management functions in respect of the Company to BlackRock Advisors (UK) Limited, the administrative functions (apart from transfer agency and registrar services) to BNY Mellon Fund Services (Ireland) Designated Activity Company and the transfer agency and registrar services to State Street Fund Services (Ireland) Limited.

The Manager is a private company limited by shares and was incorporated in Ireland on 19 January 1995. It is ultimately a wholly owned subsidiary of BlackRock, Inc.. The Manager has an authorised share capital of Stg£1 million and an issued and fully paid up share capital of Stg£125,000. The Manager's main business is the provision of fund management and administration services to collective investment schemes such as the Company. The Manager is also the manager of a number of other funds including: iShares plc, iShares II plc, iShares III plc, iShares IV plc, iShares V plc, iShares VI plc, Institutional Cash Series plc, BlackRock Alternative Strategies II, BlackRock Institutional Pooled Funds plc, BlackRock Liquidity Funds plc, BlackRock Index Selection Fund, BlackRock Active Selection Fund, BlackRock Specialist Strategies Funds, BlackRock Liability Solutions Funds, BlackRock Liability Solutions Funds II (Dublin), BlackRock Liability Solutions Funds III (Dublin), BlackRock Liability Matching Funds (Dublin), BlackRock Fixed Income Dublin Funds plc, BlackRock Selection Fund, Specialist Dublin Funds I Trust, BlackRock Fixed Income GlobalAlpha Funds (Dublin), Global Institutional Liquidity Funds, plc and BlackRock UCITS Funds.

Under the terms of the Management Agreement between the Company and the Manager, in the absence of breach of contract, fraud, bad faith, wilful misconduct or negligence in the performance by the Manager of its obligations, the Manager will not be under any liability to the Company or any investor in the Company on account of anything done or suffered by the Manager in pursuance of rendering the services under the agreement or any request or advice of the Company. The Management Agreement may be terminated by either party giving to the other not less than one hundred and eighty days' notice in writing, although in certain circumstances, the agreement can be terminated forthwith by notice in writing by the Company or the Manager to the other.

The secretary of the Manager is Apex IFS Limited.

**The Investment Manager**

The Manager has delegated the investment and re-investment of the Company's assets to BlackRock Advisors (UK)

Limited pursuant to the Investment Management Agreement. The Investment Manager is also the sponsor of the Company.

The Investment Manager will be responsible to the Manager and the Company with regard to the investment management of the assets of the Funds in accordance with the investment objectives and policies described in the Prospectus (as it may be amended or supplemented from time to time) subject always to the supervision and direction of the Directors. The Investment Manager may delegate all or part of the day-to-day conduct of its trading activity in respect of any Fund to an Affiliate. The Investment Manager (subject to prior consent of the Manager and the Central Bank) also has the discretion to delegate the investment decision making to other investment managers (which may be Affiliates) provided such investments are made in accordance with the investment objectives and policies described in this Prospectus. The Investment Manager will discharge the fees and expenses of any such investment managers. Information relating to any other investment managers to whom the investment decision making may be delegated will be provided to holders of Shares on request and details of any such investment managers will be disclosed in the Company's annual reports and audited financial statements and semi-annual reports and unaudited financial statements.

The Investment Manager is a subsidiary of BlackRock, Inc. The Investment Manager as investment manager is regulated by the Financial Conduct Authority to carry on regulated activities in the UK and is subject to the rules of the Financial Conduct Authority. The Investment Manager was incorporated under the laws of England and Wales on 18 March 1964. As of 31 December 2016, the BlackRock Group had US$5.1 trillion of assets under management and is represented in 27 countries.

Under the terms of the Investment Management Agreement, in the absence of fraud, bad faith, wilful default or negligence on the part of the Investment Manager, the Investment Manager will not be liable for any loss sustained by reason of the adoption of any investment policy as set out in the Prospectus or the purchase, sale or retention of any security on the recommendation of the Investment Manager. The Investment Management Agreement may be terminated by either party giving to the other not less than one hundred and eighty days' notice in writing or immediately by either party for the following reasons:

- in the event that the other party goes into liquidation (except voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the first mentioned party) or is unable to pay its debts or commits an act of bankruptcy or a receiver is appointed over the assets of the other party or some event having equivalent effect occurs;
- an examiner, administrator or similar person is appointed to the other party;
- the other party commits a material breach of the agreement and fails to remedy a breach of the agreement (if capable of remedy) within thirty days of being requested to do so; or
- the Investment Manager ceases to be permitted to act as such under any applicable laws or regulations.

**The Securities Lending Agent**

The Investment Manager has been appointed by the Company as the securities lending agent of the Funds under the terms of a securities lending management agreement. Please see the section "Efficient Portfolio Management" for further details.

**The Administrator**

The Manager has delegated its responsibilities as administrator to BNY Mellon Fund Services (Ireland) Designated Activity Company pursuant to the Administration Agreement. The Administrator will have the responsibility for the calculation of the Net Asset Value and preparation of the accounts of the Company, subject to the overall supervision of the Directors and the Manager.

The Administrator is a private limited company incorporated in Ireland on 31 May 1994 and is engaged in the provision of fund administration, accounting, registration, transfer agency and related shareholders services to collective investment schemes and investment funds. The Administrator is authorised by the Central Bank under the Investment Intermediaries Act, 1995.

The Administration Agreement provides that the appointment of the Administrator will continue unless and until terminated by the Manager, giving to the Administrator not less than 6 months' written notice (which shall not take effect prior to the 2nd anniversary of the commencement date of the Administration Agreement) or the Administrator giving to the Manager not less than 12 months' notice (which shall not take effect prior to the 8th anniversary of the commencement date of the Administration Agreement), although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other.

The Administration Agreement also provides for certain indemnities in favour of the Administrator otherwise than due to the negligence, fraud, bad faith, wilful default, recklessness, breach of applicable laws, breach of confidentiality obligations or failure to meet obligations under the Administration Agreement on the part of the Administrator, its affiliates or subcontractors.

**The Transfer Agent**

The Manager has delegated its responsibilities as transfer agent and registrar to State Street Fund Services (Ireland) Limited pursuant to the Transfer Agency Agreement. The Transfer Agent will have the responsibility for processing Account Opening Forms and dealing requests from the Primary Market, subject to the overall supervision of the Directors and the Manager.

The Transfer Agent is a limited liability company incorporated in Ireland on 23 March 1992 and is ultimately a wholly-owned subsidiary of the State Street Corporation. The authorised share capital of the Transfer Agent is Stg£5,000,000 with an issued and paid up capital of Stg£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

The Transfer Agency Agreement provides that the appointment of the Transfer Agent will continue unless and until terminated by the Manager, giving to the Transfer Agent not less than 6 months' written notice or the Transfer Agent giving to the Manager not less than 12 months' notice, although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. The Transfer Agency Agreement also provides for certain indemnities in favour of the Transfer Agent otherwise than due to the negligence, fraud, bad faith, wilful default, recklessness, breach of contract and/or breach of applicable law on the part of the Transfer Agent or its directors, officers, employees, delegates, agents or subcontractors.

**The Paying Agent**

The Manager has appointed a Paying Agent for Shares in the Funds. In such capacity, the Paying Agent will be responsible for, among other things, ensuring that payments received by the Paying Agent from the Company are duly paid; maintaining independent records of securities, dividend payment amounts; and communicating information to the relevant International Central Securities Depositary. Payment in respect of the Shares will be made through the relevant International Central Securities Depositary in accordance with the standard practices of the applicable International Central Securities Depositary. The Manager may vary or terminate the appointment of the Paying Agent or appoint additional or other registrars or paying agents or approve any change in the office through which any registrar or paying agent acts. Citibank N.A., London Branch is currently appointed by the Manager as Paying Agent.

**The Depositary**

The Company has appointed The Bank of New York Mellon SA/NV, Dublin Branch as depositary of its assets pursuant to the Depositary Agreement. The Depositary provides safe custody of the Company's assets pursuant to the Regulations.

The Depositary is a private limited liability company incorporated in Ireland on 13 October 1994. The principal activity of the Depositary is to act as the depositary of the assets of collective investment schemes. The Depositary is authorised by the Central Bank under the Investment Intermediaries Act, 1995 (as amended).

The Administrator and the Depositary are wholly-owned indirect subsidiaries of The Bank of New York Mellon Corporation. BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team.

*The Duties of the Depositary*
The Depositary acts as the depositary of the Funds for the purposes of the Regulations and, in doing so, shall comply with the provisions of the Regulations. In this capacity, the Depositary's duties include, amongst others, the following:

(i) ensuring that each Fund's cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription of Shares of the Funds have been received;
(ii) safekeeping the assets of the Funds, which includes (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verifying the ownership by the Company of such assets and the maintenance of a record accordingly (the "Safekeeping Function");
(iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Fund are carried out in accordance with the Regulations and the Articles;
(iv) ensuring that the value of the Shares of each Fund is calculated in accordance with the Regulations and the Articles;

(v) carrying out the instructions of the Manager and the Company unless such instructions conflict with the Regulations or the Articles;
(vi) ensuring that in transactions involving each Fund's assets any consideration is remitted to the relevant Fund within the usual time limits; and
(vii) ensuring that the Funds' income is applied in accordance with the Regulations and the Articles.

Apart from cash (which shall be held and maintained in accordance with the terms of the Regulations), all other assets of the Funds shall be segregated from the assets of the Depositary, its sub-custodians and from assets held as a fiduciary, custodian or otherwise by the Depositary or sub-custodians or both for other customers. The Depositary shall maintain its records which relate to the assets attributable to each Fund so as to ensure that it is readily apparent that the assets are held solely on behalf of and belong to the Fund and do not belong to the Depositary or any of its affiliates, sub-custodians or delegates or any of their affiliates.

The Depositary has entered into sub-custody agreements delegating the performance of its Safekeeping Function in certain agreed markets to the sub-custodians as set out in Schedule VI. The liability of the Depositary will not be affected by the fact that it has entrusted the Safekeeping Function to a third party.

The Depositary must ensure that the sub-custodians:

(i) have adequate structures and expertise;
(ii) in circumstances where custody of financial instruments is delegated to them, are subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction concerned, as well as an external periodic audit to ensure that the financial instruments are in their possession;
(iii) segregate the assets of the Depositary's clients from their own assets and assets of the Depositary in such a way that such assets can, at any time, be clearly identified as belonging to the Depositary's clients;
(iv) ensure that in the event of their insolvency, assets of the Company held by the sub-custodians are unavailable for distribution among, or realisation for the benefit of, creditors of the sub-custodians;
(v) are appointed by way of a written contract and comply with the general obligations and prohibitions in relation to the Safekeeping Function, reuse of assets and conflicts of interest.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, the Company may instruct the Depositary to delegate its functions to such a local entity only to the extent required by the law of the third country and only for as long as there are no local entities that satisfy the aforementioned regulation, capital and supervision requirements. In the event that custody is delegated to such local entities, prior Shareholder notice will be provided advising of the risks involved in such delegation.

Please refer to the section of this Prospectus entitled 'Conflicts of Interest' for details of potential conflicts that may arise involving the Depositary.

The Depositary must ensure that the assets of the Funds held in custody by the Depositary shall not be reused by the Depositary, or by any third party to whom the custody function has been delegated, for their own account. Reuse comprises any transaction of assets of the Funds held in custody including, but not limited to, transferring, pledging, selling and lending. Reuse of the assets of a Fund held in custody is only allowed where:

(a) the reuse of the assets is carried out for the account of the Fund;
(b) the Depositary is carrying out the instructions of the Manager on behalf of the Fund;
(c) the reuse is for the benefit of the Fund and the interest of the investors in the Fund; and
(d) the transaction is covered by high quality and liquid collateral received by the Fund under a title transfer arrangement with a market value at all times at least equivalent to the market value of the reused assets plus a premium.

The Depositary is liable to the Funds for the loss of financial instruments of the Funds which are held in custody as part of the Depositary's Safekeeping Function (irrespective of whether or not the Depositary has delegated its Safekeeping Function in respect of such financial instruments) unless it can prove that the loss of financial instruments held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. This standard of liability only applies to assets capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian and assets capable of being physically delivered to the Depositary. The Depositary shall also be liable to the Funds for all other losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations.

The Depositary Agreement provides that the Company will be liable to the Depositary for any losses that may imposed on, suffered by or asserted against the Depositary in connection with or arising out of the Depositary's proper performance of its obligations and that the Company will indemnify the Depositary against, and hold it harmless from, any losses arising from third party claims that may be suffered by or asserted against the Depositary in connection with or arising out of the Depositary's proper performance of its obligations.

Under the Depositary Agreement, the Company has also provided a security interest over its assets to the Depositary in the event that the Company fails to pay or discharge any of its obligations to repay the Depositary and its affiliates for credit facilities, including contractual settlement, made available to the Company by the Depositary or its affiliates. Prior to exercising such security interest, the Depositary must provide at least 3 working days' prior notice to the Company and the Manager, save that the Depositary shall not be required to provide the notice detailed above or delay exercising the security interest if the Depositary in its discretion (acting reasonably) considers that to do so would materially prejudice its ability to obtain payment in full. In such circumstances, the Depositary shall only be required to give such prior notice as is reasonably practicable. The Depositary Agreement also provides that the Depositary has a contractual right of set-off to cover any outstanding fees which may be owed to the Depositary. This right may be exercised by the Depositary only against the property of the relevant Fund in relation to which the default on the payment obligation occurred.

The Depositary Agreement provides that the appointment of the Depositary may be terminated by the Company giving to the Depositary 6 months' notice (which shall not take effect prior to the 2nd anniversary of the commencement date of the Depositary Agreement) or the Depositary giving to the Company not less than 12 months' notice (which shall not take effect prior to the 8th anniversary of the commencement date of the Depositary Agreement), although in certain circumstances, the agreement can be terminated forthwith by notice in writing by the Company or Depositary to the other parties.

Up-to-date information regarding the Depositary including the duties of the Depositary, the delegation arrangements and any conflicts of interest that may arise shall be made available to investors upon request to the Manager.

**Currency Hedging**

State Street Bank & Trust Company, London Branch has been appointed by the Investment Manager to provide currency hedging services for the Currency Hedged Funds and all the Currency Hedged Share Classes pursuant to the Currency Hedging Agreement. State Street Bank & Trust Company, London Branch will be responsible for carrying out foreign exchange transactions for the Currency Hedged Funds and the Currency Hedged Share Classes according to guidelines determined by the Investment Manager. State Street Bank & Trust Company, London Branch will employ a hedging methodology which reflects the methodology of the relevant Funds and Share Classes (see "The Benchmark Indices" and "Investment Techniques" above).

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

# CONFLICTS OF INTEREST

**General**

The Manager and other BlackRock Group companies undertake business for other clients. BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Manager and its clients. BlackRock maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain.

The types of conflict scenario giving rise to risks which BlackRock considers it cannot with reasonable confidence mitigate are disclosed below and may be updated from time to time.

**Depositary**

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

(i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
(ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with a Fund either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

(i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
(ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
(iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
(iv) may provide the same or similar services to other clients including competitors of the Company;
(v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate of the Depositary being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Manager may also be a client or counterparty of the Depositary or its affiliates.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to investors on request.

**Conflicts of Interest within the BlackRock Group**

*PA Dealing*
BlackRock Group employees may be exposed to clients' investment information while also being able to trade through personal accounts. There is a risk that, if an employee could place a trade of sufficient size, this would affect the value of a client's transaction. BlackRock Group has implemented a Personal Trading Policy designed to ensure that employee trading is pre-approved.

*Employee Relationships*
BlackRock Group employees may have relationships with the employees of BlackRock's clients or with other individuals whose interests conflict with those of a client. Such an employee's relationship could influence the

employee's decision-making at the expense of clients' interests. BlackRock Group has a Conflicts of Interest Policy under which employees must declare all potential conflicts.

*Voting Rights of Shares Held by BlackRock*
An affiliate of the Manager and Investment Manager ("BlackRock Corporate") may hold Shares in the Funds and may vote a single Share at an extraordinary general meeting of a Fund. BlackRock Corporate will only vote its Share in favour of a resolution that the Directors determine is in the best interest of the Fund as a whole. BlackRock Corporate will not vote its Share in circumstances where (a) the outcome of the vote would have a direct financial benefit on the BlackRock Group, (b) a potential conflict of interest cannot be mitigated, and/or (c) BlackRock Corporate is in possession of material non-public information relating to the Fund.

On a poll to determine voting on a resolution, each Share in a Fund carries one vote. If any other investor validly votes its Shares (by sending its voting instructions via its intermediary), the single Share voted by BlackRock Corporate will be capable of being outvoted. For example, if BlackRock Corporate votes a single Share in favour of a resolution but another investor votes at least a single Share against, the resolution will not be passed by BlackRock Corporate's vote by itself.

**Conflicts of interest of the Manager**

*Provider Aladdin*
BlackRock Group uses Aladdin software as a single technology platform across its investment management business. Custodial and fund administration service providers may use Provider Aladdin, a form of Aladdin software, to access data used by the Investment Manager and the Manager. Each service provider remunerates BlackRock Group for the use of Provider Aladdin. A potential conflict arises whereby an agreement by a service provider to use Provider Aladdin incentivises the Manager to appoint or renew appointment of such service provider. To mitigate the risk, such contracts are entered on an 'arm's length' basis.

*Distribution Relationships*
The Principal Distributor (BlackRock Investment Management (UK) Limited) may pay third parties for distribution and related services. Such payments could incentivise third parties to promote the Company to investors against that client's best interests. BlackRock Group companies comply with all legal and regulatory requirements in the jurisdictions in which such payments are made.

**Conflicts of interest of the Investment Manager**

*Commissions & Research*
Where permitted by applicable regulation (excluding, for the avoidance of doubt, any Funds which are in scope for MiFID II), certain BlackRock Group companies acting as investment manager to the Funds may use commissions generated when trading equities with certain brokers in certain jurisdictions to pay for external research. Such arrangements may benefit one fund over another because research can be used for a broader range of clients than just those whose trading funded it. BlackRock Group has a Use of Commissions Policy designed to ensure compliance with applicable regulation and market practice in each region.

*Timing of Competing Orders*
When handling multiple orders for the same security in the same direction raised at or about the same time, the Investment Manager seeks to achieve the best overall result for each order equitably on a consistent basis taking into account the characteristics of the orders, regulatory constraints or prevailing market conditions. Typically, this is achieved through the aggregation of competing orders. Conflicts of interest may appear if a trader does not aggregate competing orders that meet eligibility requirements, or does aggregate orders that do not meet eligibility requirements; it may appear as if one order received preferential execution over another. For a specific trade instruction of the Fund, there may be a risk that better execution terms will be achieved for a different client. For example, if the order was not included in an aggregation. BlackRock Group has Order Handling Procedures and an Investment Allocation Policy which govern sequencing and the aggregation of orders.

*Concurrent Long and Short Positions*
The Investment Manager may establish, hold or unwind opposite positions (i.e. long and short) in the same security at the same time for different clients. This may prejudice the interests of the Investment Manager's clients on one side or the other. Additionally, investment management teams across the BlackRock Group may have long only mandates and long-short mandates; they may short a security in some portfolios that are held long in other portfolios. Investment decisions to take short positions in one account may also impact the price, liquidity or valuation of long positions in another client account, or vice versa. BlackRock Group operates a Long Short (side by side) Policy with a view to treating accounts fairly.

*Cross Trading - Pricing Conflict*
When handling multiple orders for the same security, the Investment Manager may 'cross' trades by matching opposing flows to obtain best execution. When crossing orders, it is possible that the execution may not be performed in the best interests of each client; for example, where a trade did not constitute a fair and reasonable price. BlackRock Group reduces this risk by implementing a Crossing Policy.

*MNPI*
BlackRock Group companies receive Material Non-Public Information (MNPI) in relation to listed securities in which BlackRock Group companies invest on behalf of clients. To prevent wrongful trading, BlackRock Group erects Information Barriers and restricts trading by one or more investment team(s) concerned in the security concerned. Such restrictions may negatively impact the investment performance of client accounts. BlackRock has implemented a Material Non-Public Information Barrier Policy.

*BlackRock's Investment Constraints or Limitations and its Related Parties*
The Company may be restricted in its investment activities due to ownership threshold limits and reporting obligations in certain jurisdictions applying in aggregate to the accounts of clients of the BlackRock Group. Such restrictions may adversely impact clients through missed investment opportunities. BlackRock Group manages the conflict by following an Investment and Trading Allocation Policy, designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

*Investment in Related Party Products*
While providing investment management services for a client, the Investment Manager may invest in products serviced by BlackRock Group companies on behalf of other clients. BlackRock may also recommend services provided by BlackRock or its affiliates. Such activities could increase BlackRock's revenue. In managing this conflict, BlackRock seeks to follow investment guidelines and has a Code of Business Conduct and Ethics.

*Investment Allocation and Order Priority*
When executing a transaction in a security on behalf of a client, it can be aggregated and the aggregated transaction fulfilled with multiple trades. Trades executed with other client orders result in the need to allocate those trades. The ease with which the Investment Manager can allocate trades to a certain client's account can be limited by the sizes and prices of those trades relative to the sizes of the clients' instructed transactions. A process of allocation can result in a client not receiving the whole benefit of the best priced trade. The Investment Manager manages this conflict by following an Investment and Trading Allocation Policy, which is designed to ensure the fair treatment of all clients' accounts over time.

*Fund Look Through*
BlackRock Group companies may have an informational advantage when investing in proprietary BlackRock funds on behalf of client portfolios. Such an informational advantage may lead a BlackRock Group company to invest on behalf of its client earlier than the Investment Manager invests for the Company. The risk of detriment is mitigated through BlackRock Group's pricing of units and anti-dilution mechanisms.

*Side-by-Side Management: Performance fee*
The Investment Manager manages multiple client accounts with differing fee structures. There is a risk that such differences lead to inconsistent performances levels across client accounts with similar mandates by incentivising employees to favour accounts delivering performance fees over flat or non-fee accounts. BlackRock Group companies manage this risk through a commitment to a Code of Business Conduct and Ethics Policy.

# STATUTORY AND GENERAL INFORMATION

## 1. Authorised share capital

On incorporation the authorised share capital of the Company was €2.00 divided into 2 Subscriber Shares of a par value of €1.00 each and 1,000,000,000,000 Shares of no par value. The 2 Subscriber Shares are currently in issue and are held by the Manager or nominees of the Manager. The Subscriber Shares were issued for cash at par value. The Subscriber Shares do not form part of the share capital of any Fund of the Company.

(a) To the best of the Directors' knowledge and belief, as of the date of this Prospectus, no capital of the Company is under option or is agreed, conditionally or unconditionally to be put under option.

(b) Neither the Subscriber Shares nor the Shares carry pre-emption rights.

## 2. Variation of share capital

The Company may, at the discretion of the Directors and on notice to the relevant Shareholders:-

(a) consolidate and divide all or any of its share capital into a smaller number of Shares than its existing Shares; or

(b) sub-divide its Shares, or any of them, into a larger number of Shares.

The Company may, at the discretion of the Directors, cancel any Shares which following (a) or (b) above have not been taken, or agreed to be taken, by any person, and diminish the amount of its share capital by the amount of the Shares so cancelled.

## 3. Share Rights

(a) Subscriber Shares

The holders of the Subscriber Shares shall:-

(i) on a poll, be entitled to one vote per Subscriber Share;

(ii) not be entitled to any dividends whatsoever in respect of their holding of Subscriber Shares; and

(iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Distribution of Assets on a Liquidation" below.

(b) Shares

The holders of Shares shall:-

(i) on a poll, be entitled to one vote per whole Share;

(ii) be entitled to such dividends as the Directors may from time to time declare; and

(iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Distribution of Assets on a Liquidation" below.

Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds.

## 4. Voting Rights

This is dealt with under the rights attaching to the Subscriber Shares and Shares respectively referred to at 2 above. Shareholders (i.e. investors who have their names entered on the share register) who are individuals may attend and vote at general meetings in person or by proxy. Shareholders (i.e. investors who have their names entered on the share register) who are corporations may attend and vote at general meetings by appointing a representative or by proxy. Investors who hold Shares through a broker/dealer/other intermediary, who are not entered on the register, for example for clearing purposes,

may not be entitled to vote at general meetings. This will depend upon the arrangements agreed with the relevant broker/dealer/other intermediary.

Subject to any special terms as to voting upon which any Shares may be issued or may for the time being be held, at any general meeting on a poll every such holder of Shares present in person or by proxy shall have one vote for every Share held.

To be passed, ordinary resolutions of the Company in general meeting will require a simple majority of the votes cast by the holders of Shares voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the holders of Shares present in person or by proxy and (being entitled to vote) voting in general meetings is required in order to pass a special resolution including a resolution to (i) rescind, alter or amend an Article or make a new Article and (ii) wind up the Company.

Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds.

**5. Meetings and Votes of Shareholders**

Shareholders (i.e. investors who have their names entered on the share register of the Company) will be entitled to attend and vote at general meetings of the Company. The annual general meeting of the Company will be held in Ireland normally within six months of the end of each financial year of the Company. Notices convening each annual general meeting will be sent to registered shareholders together with the annual report and audited financial statements not less than twenty-one days before the date fixed for the meeting.

Please see the section entitled "General Information on Dealings in the Company" for information on delivery of notices and exercising voting rights by investors in the Funds.

**6. Accounts and Information**

The Company's accounting period will end on 31 July in each year.

The Company will prepare an annual report and audited financial statements for the year ending 31 July in each year. The annual report and audited financial statements will be published within four months following the year end date. In addition, the Company will prepare a semi-annual report and unaudited financial statements (made up to 31 January) and this will be published within two months following this period end. The Company will supply copies of the annual and semi-annual reports to holders of Shares free of charge on request.

Copies of this Prospectus, the Supplements (if any) and annual and semi-annual reports of the Company may be obtained from the Transfer Agent at the address given under "Directory".

**7. Distribution of assets on a liquidation**

If the Company shall be wound up, the liquidator shall, subject to the provisions of the Act, apply the assets of the Company on the basis that any liability incurred or attributable to a Fund shall be discharged solely out of the assets of that Fund.

(b) The assets available for distribution among the members shall then be applied in the following priority:-

(i) firstly, in the payment to the holders of the Shares of each class of each Fund a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the Company (if any) not comprised within any of the Funds and not (save as provided in the Act) to the assets comprised within any of the Funds;

(ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (b)(i) above. In the event that there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be had to the assets comprised within any of the Funds;

(iii) thirdly, in the payment to the holders of each class of Shares of any asset remaining in the relevant Fund of any balance being made in proportion to the number of Shares held; and

(iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion to the number of Shares held in each class.

(c) The Company will sell the assets if requested by a Shareholder and the cost of such sale shall be charged to the redeeming Shareholder.

(d) A Fund may be wound up in accordance with the Act and in such event the provisions of paragraph (b)(i) and Article 129 of the Articles will apply with the relevant changes being applied in respect of that Fund.

**8. Circumstances of a Winding Up**

The Company shall be wound up in the following circumstances:

(a) by the passing of a special resolution for a winding-up;

(b) where the Company does not commence business within a year of being incorporated or where it suspends its business for a year;

(c) where the number of members falls below the statutory minimum (currently 2);

(d) where the Company is unable to pay its debts and a liquidator has been appointed;

(e) where the appropriate court in Ireland is of the opinion that the Company's affairs and the powers of the Directors have been exercised in a manner oppressive to members;

(f) the appropriate court in Ireland is of the opinion that it is just and equitable that the Company should be wound up.

**9. Directors' and Other Interests**

(a) As at the date of this Prospectus, none of the Directors nor any other connected person has any material interest in the Shares of the Company or any options in respect of such Shares.

(b) For the purposes of this paragraph "connected person" means in respect of any Director:

(i) his spouse, child or step-child;

(ii) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or step-children or any body corporate which he controls;

(iii) a partner of the Director; or

(iv) a company controlled by that Director.

The Directors are entitled to such annual fees as may be agreed. The BlackRock Group employees serving as Directors are not entitled to receive Directors' fees. The Articles provide that each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve, provided that no Director may be paid in excess of a figure set out in the Prospectus without the approval of the Board of Directors. These fees are paid out of the Total Expense Ratio.

(c) Save for the contracts listed in section entitled "Management of the Company", no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

(d) Ms Sperandeo is an employee of the BlackRock Group (of which the Manager and Investment Manager are part).

(e) No loan or guarantee has been provided by the Company to any Director.

(f) Members of the BlackRock Group (i.e. BlackRock, Inc. and its subsidiaries and affiliates) may hold Shares for their own account and on behalf of discretionary clients. The Directors are satisfied that in the nature of the Company's business such holdings will not prejudice its independent operation. All relations between the Company and members of the BlackRock Group will be conducted at arms' length on a normal commercial basis.

(g) No Director:

(i) has any unspent convictions;

(ii) has become bankrupt or entered into any voluntary arrangement;

(iii) has been a director of any company or a partner of any firm which, at that time or within twelve months after his ceasing to become a director or a partner (as the case may be), had a receiver appointed or went into compulsory liquidation, or creditors voluntary liquidation or went into administration, or entered into company or partnership voluntary arrangements or made any composition or arrangement with its creditors;

(iv) has owned an asset or been a partner of a partnership owning an asset over which a receiver has been appointed at that time or within twelve months after his ceasing to be a partner; or

(v) has had any public criticism against him by any statutory or regulatory authority (including recognised professional bodies) or has been disqualified by a court from acting as a director or acting in the management or conduct of the affairs of any company.

## 10. Litigation

Save as disclosed in the Company's annual report and audited financial statements, the Company is not and has not been engaged in any litigation or arbitration proceedings as a defendant and the Directors are not aware of any litigation or claim pending or threatened by or against the Company since its incorporation, where such litigation, arbitration proceedings or claim may have a significant effect on the Company's financial position or profitability.

## 11. Miscellaneous

(a) The Company does not have as at the date of this Prospectus any loan capital (including term loans) outstanding or created but unissued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdraft, liabilities under acceptances or acceptance credits, obligations under finance leases, hire purchase, commitments, guarantees or other contingent liabilities.

(b) The Company does not have, nor has it had since its incorporation, any employees.

(c) Save as disclosed in paragraph 8 above, no Director has any interest direct or indirect in the promotion of the Company or in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired by, disposed of or leased to the Company, nor is there any contract or arrangement subsisting at the date of this document in which a Director is materially interested and which is unusual in its nature and conditions or significant in relation to the business of the Company.

(d) The Company has not and does not intend to purchase or acquire nor agree to purchase or acquire any real property.

(e) The name "iShares" is a trademark of BlackRock, Inc. or its subsidiaries. On termination of the Management Agreement, the Company has undertaken (inter alia) to call a general meeting of the Company to change the name of the Company to a name not resembling or including "iShares".

## 12. Inspection of Documents

Copies of the following documents will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays), free of charge, at the registered offices of the Company in Dublin and at the offices of the Investment Manager in London and may be obtained, on request free of charge, from the Transfer Agent:

(a) this Prospectus, any Supplement and any KIID or KID;

(b) the Memorandum and Articles;

(c) the latest annual and semi-annual reports of the Company.

**13. UK Facilities Agent**

UK investors can contact the UK facilities agent (the Investment Manager) at BlackRock Advisors (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL for details regarding pricing and redemption, making a complaint and for the inspection (free of charge) and for the obtaining of copies in English of scheme documentation listed in paragraph 11 (a) and (b) above (free of charge) and documentation listed at paragraph 11 (c) above (free of charge).

# TAXATION

## General

***The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.***

The following is a brief summary of certain aspects of Irish and United Kingdom taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect as at the date of this Prospectus, all of which are subject to change.

Dividends, interest and capital gains (if any) which the Company receives with respect to its Investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of Investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. Therefore, such withholding taxes may be considered as generally irrecoverable as the Company itself is exempt from income tax. If this position changes in the future and the application of a lower rate results in a repayment to the Company, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing holders of Shares rateably at the time of the repayment.

This section does not cover the tax implications for anyone other than those who have a beneficial interest in the Shares. This section does not cover tax implications for UK resident individual investors that are not domiciled in the UK or any financial traders or any other investors that may hold Shares in the Company in the course of their trade or profession. It also does not cover taxation implications in respect of life companies and UK authorised investment funds investing in the Company.

## Irish Taxation

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes the taxation position of the Company and its holders of Shares is as set out below.

***Definitions***
For the purposes of this section, the following definitions shall apply.

**"Courts Service"**
The Courts Service is responsible for the administration of moneys under the control or subject to the order of the Courts.

**"Equivalent Measures"**
apply to an investment undertaking where the Irish Revenue have given the investment undertaking notice of approval in accordance with Section 739D (7B) of the Taxes Act and the approval has not been withdrawn.

**"Exempted Irish Investor"** means:

(i) an Intermediary within the meaning of Section 739B of the Taxes Act;
(ii) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
(iii) a participant within the meaning of the Automatic Enrolment Retirement Savings Scheme Act 2024, the units are held by the Authority within the meaning of that Act on behalf of the participant;
(iv) a company carrying on life assurance business within the meaning of Section 706 of the Taxes Act;
(v) an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
(vi) an investment limited partnership within the meaning of Section 739J of the Taxes Act;
(vii) a special investment scheme within the meaning of Section 737 of the Taxes Act;
(viii) a unit trust to which Section 731(5)(a) of the Taxes Act applies;
(ix) a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
(x) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the Taxes Act where the shares held are assets of an approved retirement fund, an approved minimum retirement fund or a special savings incentive account;
(xi) a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
(xii) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the shares are assets of a PRSA;
(xiii) an Irish Resident company investing in a money market fund being a person referred to in Section 739D(6)(k) of the Taxes Act;
(xiv) a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Fund;
(xv) a qualifying management company within the meaning of Section 739B of the Taxes Act;

(xvi) a specified company within the meaning of Section 734(1) of the Taxes Act;
(xvii) the National Asset Management Agency being a person referred to in Section 739D(ka) of the Taxes Act;
(xviii) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
(xix) the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers' Insolvency Compensation Fund;
(xx) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787AC of the Taxes Act and the Shares held are assets of a PEEP, within the meaning of Part 30, Chapter 2D of the Taxes Act; or
(xxi) any other Irish Resident or Irish Ordinary Resident who may be permitted to own shares under taxation legislation or by written practice or concession of the Irish Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company,

provided that a Relevant Declaration is in place.

**"Intermediary" means a person who:-**
(i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
(ii) holds shares in an investment undertaking on behalf of other persons.

**"Ireland"** means the Republic of Ireland/the State.

**"Irish Ordinary Resident"**
(i) in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes.
(ii) in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.
The following definition has been issued by the Irish Revenue in relation to the ordinary residence of individuals:

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

For example, an individual who is resident in Ireland for the tax years:-
- 1 January 2022 to 31 December 2022;
- 1 January 2023 to 31 December 2023; and
- 1 January 2024 to 31 December 2024
will become Irish Ordinary Resident with effect from 1 January 2025.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2024 to 31 December 2024 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2027 to 31 December 2027.

**"Irish Resident"**
(i) in the case of an individual, means an individual who is resident in Ireland for tax purposes.
(ii) in the case of a trust, means a trust that is resident in Ireland for tax purposes.
(iii) in the case of a company, means a company that is resident in Ireland for tax purposes.

*Residence – Individual*

An individual will be regarded as being resident in Ireland for a particular twelve month tax year if s/he:

- spends 183 days or more in Ireland in that twelve month tax year; or
- has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that twelve month tax year together with the number of days spent in Ireland in the preceding twelve month tax year.

Presence in a twelve month tax year by an individual of not more than 30 days in Ireland will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any time during that day.

*Residence – Company*

*It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and declarants are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.*

*A company incorporated in Ireland is automatically considered resident in Ireland for tax purposes, unless it is considered resident in a jurisdiction with which Ireland has a double tax agreement. A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland will be treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.*

*Residence – Trust*

Determining the tax residence of a trust can be complex. A trust will generally be regarded as resident in Ireland for tax purposes if a majority of its trustees are resident for tax purposes in Ireland. Where some, but not all, of the trustees are resident in Ireland, the residency of the trust will depend on where the general administration of the trust is carried on. In addition, the provisions of any relevant double tax agreement would need to be considered. As a result, each trust must be assessed on a case by case basis.

**"Personal Portfolio Investment Undertaking"** means an investment undertaking, under the terms of which some or all of the property of the undertaking may be, or was, selected by, or the selection of some or all of the property may be, or was, influenced by –

(i) the investor,
(ii) a person acting on behalf of the investor,
(iii) a person connected with the investor,
(iv) a person connected with a person acting on behalf of the investor,
(v) the investor and a person connected with the investor, or
(vi) a person acting on behalf of both the investor and a person connected with the investor.

An investment undertaking is not a Personal Portfolio Investment Undertaking if the only property which may or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

**"Relevant Declaration"** means the declaration relevant to the holder of Shares as set out in Schedule 2B of the Taxes Act.

**"Relevant Period"** means a period of 8 years beginning with the acquisition of a Share by a holder of Shares and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.

**"Taxes Act",** The Taxes Consolidation Act, 1997 (of Ireland) as amended.

**The Company**

The Company shall be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Act. Under current Irish law and practice, on that basis, it is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any distribution payments to holders of Shares or any encashment, redemption, cancellation or transfer of Shares or appropriation or cancellation of Shares by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer. It also includes the ending of a Relevant Period.

No tax will arise on the Company in respect of chargeable events in respect of a holder of Shares who is neither Irish Resident nor Irish Ordinary Resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

A chargeable event will not be deemed to arise if at the time of the chargeable event Equivalent Measures have been formally agreed with the Revenue Commissioners and the approval has not been withdrawn. In the absence

of a Relevant Declaration or Equivalent Measures there is a presumption that the investor is Irish Resident or Irish Ordinary Resident.

Where a Relevant Declaration is required but is not provided to the Company by a holder of Shares or where approval is required in relation to appropriate Equivalent Measures but has not been received from the Irish Revenue Commissioners and tax is subsequently deducted by the Company on the occurrence of a chargeable event, Irish legislation provides for a refund of such tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

A chargeable event does not include:

- an exchange by a holder of Shares, effected by way of an arm's length bargain where no payment is made to the holder of Shares, of Shares in the Company for other Shares in the Company;
- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a Recognised Clearing System;
- a transfer by a holder of Shares of the entitlement to a Share where the transfer is between spouses, former spouses, civil partners or former civil partners, subject to certain conditions;
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking; or
- any transaction in relation to, or in respect of, relevant Shares in an investment undertaking which transaction only arises by virtue of a change in the manager of funds administered by the Courts Service.

Where the chargeable event is the ending of a Relevant Period, to the extent that any tax arises on such a deemed disposal, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares.

In the case of Shares held in a Recognised Clearing System, the holder of Shares will have to account for the appropriate tax arising on the end of a Relevant Period on a self-assessment basis.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the holder of Shares or such beneficial owner of the Shares as are required to meet the amount of tax. The relevant holder of Shares and beneficial owner of Shares shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Please see the section below dealing with the tax consequences for the Company and the holders of Shares of chargeable events in respect of: -

(i) holders of Shares whose Shares are held in a Recognised Clearing System;
(ii) holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System; and
(iii) holders of Shares who are either Irish Residents or Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at a rate of 25% (with effect from 1 January 2020). However, the Company can make a declaration to the payer that it is a collective investment scheme beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

**(i) Holders of Shares whose Shares are held in a Recognised Clearing System**

Where Shares are held in a Recognised Clearing System, the obligation falls on the holder of Shares (rather than the Company) to self-account for any tax arising on a taxable event. In the case of an individual, tax currently at the rate of 41% should be accounted for by the holder of Shares in respect of any distributions and gains arising to the individual holder of Shares on an encashment, redemption or transfer of Shares by a holder of Shares. Where the investment constitutes a personal portfolio investment undertaking ("PPIU"), tax at a rate of 60% should be accounted for by the holder of Shares. This rate applies where the individual holder of Shares has correctly included details of the income in a timely tax return.

Where the holder of Shares is a company, any payment will be treated as income chargeable to tax under Case IV of Schedule D of the Taxes Act. An Irish Resident corporate holder of Shares whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade.

The holder of Shares will not have to self-account for tax on the occasion of a taxable event if (a) the holder of Shares is neither Irish Resident nor Irish Ordinary Resident, or (b) the holder of Shares is an Exempted Irish Investor (as defined above).

It should be noted that a Relevant Declaration or approval in relation to appropriate equivalent measures is not required to be made where the Shares, the subject of the application for subscription or registration of transfer on a transfer of Shares, are held in a Recognised Clearing System. It is the current intention of the Directors that all of the Shares will be held in a Recognised Clearing System.

If in the future, the Directors permit Shares to be held in certificated form outside a Recognised Clearing System, prospective investors for Shares on subscription and proposed transferees of Shares will be required to complete a Relevant Declaration as a pre-requisite to being issued Shares in the Company or being registered as a transferee of the Shares (as the case may be). A Relevant Declaration will not be required to be completed in this regard where the Company has received approval from the Irish Revenue Commissioners where appropriate equivalent measures have been put in place.

To the extent that any Shares are not held in a Recognised Clearing System, the following tax consequences will arise on a chargeable event.

**(ii) Holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System**

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a holder of Shares if (a) the holder of Shares is neither Irish Resident nor Irish Ordinary Resident, and the holders of Shares has made a Relevant Declaration and the Company has no reason to believe that the Relevant Declaration is incorrect or (b) the Company has put in place appropriate Equivalent Measures to ensure that holders of Shares in the Company are neither Irish Resident nor Irish Ordinary Resident. In the absence of a Relevant Declaration or the approval from the Irish Revenue Commissioners referred to above tax will arise on the happening of a chargeable event in the Company regardless of the fact that a holder of Shares is neither Irish Resident nor Irish Ordinary Resident. The appropriate tax that will be deducted is as described in paragraph (iii) below.

To the extent that a holder of Shares is acting as an Intermediary on behalf of persons who are neither Irish Residents nor Irish Ordinary Residents no tax will have to be deducted by the Company on the occasion of a chargeable event provided that the Intermediary has made a Relevant Declaration that they are acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or if the Company has received approval from the Irish Revenue Commissioners that appropriate Equivalent Measures are in place.

Holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and who have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate holder of Shares which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from the Shares or gains made on disposal of the Shares.

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the holder of Shares, Irish legislation generally does not provide for a refund of tax. Refunds of tax will only be permitted in limited circumstances.

**(iii) Holders of Shares who are Irish Residents or Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System**

Unless a holder of Shares is an Exempted Irish Investor (as defined above), makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, tax will be required to be deducted by the Company from any distributions and other chargeable events in relation to a holder of Shares who is Irish Resident or Irish Ordinary Resident.

Tax at the rate of 41% will have to be deducted by the Company on any distribution or gain arising to the holder of Shares (other than a company which has made the required declaration) on an encashment, redemption, or transfer of Shares by a holder of Shares who is Irish Resident or Irish Ordinary Resident. Tax will also have to be deducted at the rate of 41% in respect of Shares held at the end of a Relevant Period (in respect of any excess in value of the cost of the relevant Shares) to the extent that the holder of Shares (other than a company which has made the required declaration) is Irish Resident or Ordinary Resident and is not an Exempted Irish Investor who has made a Relevant Declaration or in respect of whom the Irish Revenue Commissioners have given approval that appropriate Equivalent Measures are in place. Tax at a rate of 25% will have to be deducted by the Company where the holder of Shares is a company which has made the required declaration.

However, the Company will be exempt from making tax deductions in respect of distributions and gains on redemptions, cancellations, transfers or encashments of Shares held by Irish Residents and Irish Ordinary Residents where the relevant Shares are held in a Recognised Clearing System.

In certain circumstances the Company may elect not to deduct tax on the happening of a chargeable event. Should the Company make this election the holder of Shares will be liable to account for the tax payable under the self-assessment system of taxation.

Anti-avoidance provisions apply where an investment undertaking is regarded as a PPIU and the holder of Shares is an individual. In such circumstances any payment to a holder of Shares will be taxed at a rate of 60%. It is a matter of fact whether or not the investor or a connected person has a right of selection as envisaged in the anti-avoidance measures. Individual holders of Shares should seek independent legal advice to ascertain whether the investment undertaking, as a result of their personal circumstances, could be regarded as a PPIU.

Irish Resident corporate holders of Shares who receive distributions (where payments are made annually or at more frequent intervals) from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the Taxes Act from which tax at the 25% rate has been deducted. An Irish Resident corporate holder of Shares whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set-off against corporation tax payable for any tax deducted by the Company.

In general, non-corporate holders of Shares who are Irish Resident or Irish Ordinary Resident will not be subject to further Irish tax on income from their Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments received. Where a currency gain is made by a holder of Shares on the disposal of his/her Shares, such holder of Shares may be liable to Irish capital gains tax in the year of assessment in which the Shares are disposed of.

Any holder of Shares who is Irish Resident or Irish Ordinary Resident and receives a distribution or receives a gain on an encashment, redemption, cancellation or transfer of Shares from which tax has not been deducted by the Company may be liable to income tax or corporation tax on the amount of such distribution or gain.

There is an obligation on the Company to periodically report information to the Irish Revenue Commissioners in relation to certain holders of Shares and the value of their investments in the Company. The obligation arises in relation to holders of Shares who are either Irish Resident or Irish Ordinary Resident (other than Exempted Irish Investors).

**(iv) Irish Courts Service**

Where Shares are held by the Courts Service no tax is deducted by the Company on payments made to the Courts Service. Where money under the control or subject to the order of the Court Service is applied to acquire Shares in the Company, the Courts Service assumes, in respect of those Shares acquired, the responsibilities of the Company with regard to, inter alia, deduction of tax in respect of chargeable events, filing returns and collection of the tax.

In addition, the Courts Service must make, in respect of each year of assessment, on or before 28 February in the year following the year of assessment, a return to the Revenue Commissioners which:-

i) specifies the total amount of gains arising to the investment undertaking in respect of the units acquired and
ii) specifies in respect of each person who is or was beneficially entitled to those units-
    a. where available, the name and address of the person,
    b. the amount of total gains to which the person has beneficial entitlement, and
    c. such other information as the Revenue Commissioners may require.

**Stamp Duty**

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in kind transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or property.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stocks or marketable securities provided that the stocks or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is a collective investment scheme within the meaning of Section 739B of the Taxes Act) which is registered in Ireland.

No Stamp Duty will arise on reconstructions or amalgamations of investment undertakings under Section 739H of the Taxes Act, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax.

**Capital Acquisitions Tax**

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax) provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B of the Taxes Act), and that: (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland; (b) at the date of the disposition, the holder of Shares disposing of the Shares is neither domiciled nor ordinarily resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the "valuation date" (as defined for Irish Capital Acquisitions Tax purposes).

**FATCA ("Foreign Accounts Tax Compliance Act")**

The US-Ireland Agreement to Improve International Tax Compliance and to Implement FATCA (the "US-Ireland IGA") was entered into with the intention of enabling the Irish implementation of the Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act ("FATCA"), which impose a reporting regime and potentially a 30% withholding tax on certain payments made from (or attributable to) US sources or in respect of US assets to certain categories of recipient including a non-US financial institution (a "foreign financial institution" or "FFI") that does not comply with the terms of FATCA and is not otherwise exempt. Certain financial institutions ("reporting financial institutions") are required to provide certain information about their US accountholders to the Irish Revenue Commissioners (which information will in turn be provided to the US tax authority) pursuant to the US-Ireland IGA. It is expected that the Company will constitute a reporting financial institution for these purposes. The Company will not, however generally need to report any information to the Irish Revenue Commissioners in respect of US holders of Shares, on the basis that the Shares are expected to be treated as being regularly traded on an established securities market and should not, therefore, constitute financial accounts for FATCA purposes for so long as the Shares are listed on the London Stock Exchange or any other recognised stock exchange for Irish tax purposes. It may, however, still need to file a nil return with the Irish Revenue Commissioners. It is the intention of the Company and the Manager to procure that the Company is treated as complying with the terms of FATCA by complying with the terms of the reporting system contemplated by the US-Ireland IGA. No assurance can, however, be provided that the Company will be able to comply with FATCA and, in the event that it is not able to do so, a 30% withholding tax may be imposed on payments it receives from (or which are attributable to) US sources or in respect of US assets, which may reduce the amounts available to it to make payments to its holders of Shares.

In light of the above, holders of Shares in the Company will be required to provide certain information to the Company (and/or broker, custodian or nominee though which an investor holds its shares in the Company) to comply with the terms of FATCA. Please note that the Manager has determined that US Persons are not permitted to own Shares in the Funds.

Shareholders and prospective investors should consult with their tax advisers regarding the possible implications of FATCA on their investment in the Company.

**CRS ("Common Reporting Standards")**

The Common Reporting Standard ("CRS") is a single global standard on Automatic Exchange Of Information ("AEOI"). It was approved by the Organisation for Economic Co-operation and Development ("OECD") in February 2014 and draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their non-resident investors. The CRS was effective in Ireland from 1 January 2016. The Company will be required to provide certain information to the Irish Revenue Commissioners about non-Irish tax resident holders of Shares (which information will in turn be provided to the relevant tax authorities).

Further information in relation to the CRS can be found on the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie.

Shareholders and prospective investors should consult with their tax advisers regarding the possible implications of CRS on their investment in the Company.

Each investor agrees to provide the Company with information and documentation prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under the CRS.

***Data protection notice - collection and exchange of information under the CRS***

For the purposes of complying with its obligations under the CRS as implemented in Irish law and to avoid the imposition of financial penalties thereunder, the Company may be required to collect certain information in respect of non-Irish resident direct and indirect individual beneficial owners of the Shares and, to the extent required pursuant to the CRS, to annually report such information to the Irish Revenue Commissioners. Such information includes the name, address, jurisdiction of residence, tax identification number (TIN), date and place of birth (as appropriate) of the non-Irish resident direct or indirect beneficial owners of the Shares; the "account number" and

the "account balance" or value at the end of each calendar year; and the gross amount paid or credited to the Shareholder during the calendar year (including aggregate redemption payments).

Such information in relation to all non-Irish resident direct or indirect beneficial owners of the Shares will in turn be exchanged, in a secure manner, by the Irish Revenue Commissioners with the tax authorities of other relevant participating jurisdictions under the CRS in accordance with the requirements of (and solely for the purposes of compliance with) the CRS.

Further information in relation to the CRS can be found on the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie.

All prospective investors should consult with their respective tax advisers regarding the possible implications of CRS on their investments in the Company.

**United Kingdom Taxation**

It is the intention of the Directors to conduct the affairs of the Company so that it does not become resident in the United Kingdom for taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom through a permanent establishment situated there, the Company will not be subject to United Kingdom corporation tax on its income or chargeable gains.

Subject to their personal circumstances, holders of Shares resident in the United Kingdom for taxation purposes may be liable to United Kingdom income tax or corporation tax in respect of any dividends or other income distributions of any Share Class of the Company (including any dividends funded out of realised capital profits of the Company). In addition, UK holders of Shares holding Shares at the end of each 'reporting period' (as defined for United Kingdom tax purposes) will potentially be subject to United Kingdom income tax or corporation tax on their portion of a Share Class's 'reported income', to the extent that this amount exceeds dividends received. The terms 'reported income', 'reporting period' and their implications are discussed in further detail below. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest, as described below. There is no withholding by the Company for Irish tax on dividends payable to United Kingdom investors on the basis that it is the current intention that all Shares will be held in a Recognised Clearing System (see previous section headed "Irish Taxation" for further details).

Where the Fund holds more than 60% of its assets in interest bearing (or similar) form, any distribution will be treated as interest in the hands of the UK individual investor. From 6 April 2016, there is no longer a notional 10% tax credit on dividend distributions. Instead, a £5,000 (2016/2017) tax free dividend allowance has been introduced for UK individuals. Dividends received in excess of this threshold will be subject to tax.

From 1 July 2009, following the enactment of Finance Act 2009, dividend distributions received by UK resident companies, including the Company, are likely to fall within one of a number of exemptions from United Kingdom corporation tax. In addition, distributions to non-UK companies carrying on a trade in the United Kingdom through a permanent establishment in the United Kingdom should also fall within the exemption from United Kingdom corporation tax on dividends to the extent that the Shares held by that company are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Shareholdings in the Company are likely to constitute interests in offshore funds, as defined in section 355 of the Taxation (International & other provisions) Act 2010 TIOPA 2010 for the purposes of the United Kingdom Finance Act 2008, with each Share Class of the Fund treated as a separate 'offshore fund' for these purposes.

The Offshore Funds (Tax) Regulations 2009 (SI2009/3001) provide that if an investor resident or ordinarily resident in the United Kingdom for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that investor upon the sale or other disposal of that interest will be charged to United Kingdom tax as income rather than a capital gain. Alternatively, where an investor resident or ordinarily resident in the United Kingdom holds an interest in an offshore fund that has been a 'reporting fund' for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to United Kingdom income tax or corporation tax on income (even where such profits are exempt from United Kingdom corporation tax).

Where an offshore fund may have been a non-reporting fund for part of the time during which the United Kingdom holders of Shares held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the holder of Shares in order to pro-rate any gain made upon disposal; the impact is that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits from the date of change in status of the fund in which they can be made.

It should be noted that a "disposal" for United Kingdom taxation purposes includes a switching between Funds and may include a switching between Share Classes of a Fund.

In broad terms, a 'reporting fund' is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its holders of Shares. The Directors intend to manage the affairs of the Company and the Funds so that these upfront and annual duties are met and continue to be met on an ongoing basis for each Share Class within the Fund that intends to seek United Kingdom reporting fund status with effect from inception. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for United Kingdom tax purposes) on a per-Share basis to all relevant holders of Shares. UK holders of Shares who hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the excess (if any) of the reported income over any distributions paid in respect of the reporting period. The excess reported income will be deemed to arise to UK holders of Shares six months following the last day of the reporting period.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant Share Classes the status should continue to apply on an ongoing basis, provided the annual requirements are undertaken. It is also the intention of the Company to maintain UK Reporting Fund status for these Share Classes for each accounting period thereafter.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

In accordance with Regulation 90 of the Offshore Funds (Tax) Regulations 2009, Shareholder reports are made available within six months of the end of the reporting period at www.ishares.com/en/pc/about/tax. The intention of the Offshore Fund Reporting regulations is that reportable income data shall principally be made available on a website accessible to UK investors. Alternatively, the holders of Shares may if they so require, request a hard copy of the reporting fund data for any given year. Such requests must be made in writing to the following address:

Head of Product Tax, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL.

Each such request must be received within three months of the end of the reporting period. Unless the Investment Manager is notified to the contrary in the manner described above, it is understood that investors do not require their report to be made available other than by accessing the appropriate website.

UK resident but non- UK domiciled investors who are subject to tax in the UK on the remittance basis should note that an investment in the 'reporting fund' unit classes is likely to constitute a mixed fund for their purposes. Further, there is no guarantee that the excess of reportable income over distributions paid in any given period will always be nil. Investors are encouraged to seek their own professional tax advice in this regard.

An individual holder of Shares domiciled or deemed for United Kingdom tax purposes domiciled in the United Kingdom may be liable to United Kingdom Inheritance Tax on their Shares in the event of death or on making certain categories of lifetime transfer.

The attention of individual holders of Shares ordinarily resident in the United Kingdom is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the United Kingdom and may render them liable to income tax in respect of undistributed income of the Company on an annual basis. The legislation is not directed towards the taxation of capital gains.

Corporate holders of Shares resident in the UK for taxation purposes should note that the "controlled foreign companies" legislation contained in Part 9A of TIOPA 2010 could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25 per cent or more of any chargeable profits of a non-UK resident company, where that non-UK resident company is controlled by residents of the UK and meets certain other criteria (broadly that it is resident in a low tax jurisdiction). "Control" is defined in Chapter 18, Part 9A of TIOPA 2010. A non-UK resident company is controlled by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40 per cent of the interests, rights and powers by which those persons control the non-UK resident company, and the other of whom has at least 40 per cent and not more than 55 per cent of such interests, rights and powers. The effect of these provisions could be to render such holders of Shares liable to UK corporation tax in respect of the income of the Company.

The attention of persons resident or ordinarily resident in the United Kingdom for taxation purposes (and who, if individuals, are also domiciled in the United Kingdom for those purposes) is drawn to the fact that the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 could be material to any such person whose proportionate interest in the Company (whether as a holder of Shares or otherwise as a "participator" for United Kingdom taxation purposes) when aggregated with that of persons connected with that person is 10%, or greater,

if, at the same time, the Company is itself controlled in such matter that it would, were it to be resident in the United Kingdom for taxation purposes, be a "close" company for those purposes. Section 13 could, if applied, result in a person with such an interest in the Company being treated for the purposes of United Kingdom taxation of chargeable gains as if a part of any capital gain accruing to the Company (such as on a disposal of any of its Investments) had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company (determined as mentioned above).

The attention of investors is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if investors are seeking to obtain tax advantages in prescribed conditions.

Under the corporate debt tax regime in the United Kingdom any corporate investor subject to United Kingdom corporation tax will be taxed on the increase in value of its holding on a fair value basis (rather than on disposal) or will obtain tax relief on any equivalent decrease in value, if the Investments held by the offshore fund within which the investor invests, consist of more than 60% (by value) of "qualifying investments". Qualifying investments are broadly those, which yield a return directly or indirectly in the form of interest.

Transfer taxes may be payable by the Company in the United Kingdom and elsewhere in relation to the acquisition and/or disposal of Investments. In particular, stamp duty reserve tax at the rate of 0.5% (or, if the transfer takes place in dematerialised form, stamp duty reserve tax at an equivalent rate) will be payable by the Company in the United Kingdom on the acquisition of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom. This liability will arise in the course of the Company's normal investment activity and on the acquisition of Investments from subscribers on subscription for Shares.

The Shares in the Company can be held in Individual Savings Accounts or Self-invested Personal Pensions or personalised portfolio bonds.

In the absence of an exemption applicable to a prospective holder of Shares (such as that available to intermediaries under section 88A of the Finance Act 1986) stamp duty reserve tax (or stamp duty) at the same rate as above will also be payable by prospective holders of Shares on the acquisition of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom for the purpose of subsequent subscription for Shares, and may arise on the transfer of Investments to holders of Shares on redemption.

Because the Company is not incorporated in the United Kingdom and the register of holders of Shares will be kept outside the United Kingdom, no liability to stamp duty reserve tax will arise by reason of the transfer, subscription for or redemption of Shares except as stated above. Liability to stamp duty will not arise provided that any instrument in writing transferring Shares in the Company is executed and retained at all times outside the United Kingdom.

It is the intention of the Company that assets held by the Funds will generally be held for investment purposes and not for the purposes of trading. Even if Her Majesty's Revenue & Customs ("HMRC") successfully argued that a Fund is trading for UK tax purposes, it is expected that the conditions of the Investment Management Exemption ("IME") should be met, although no guarantee is given in this respect. Assuming that the requirements of the IME are satisfied, the Fund should not be subject to UK tax in respect of the profits / gains earned on its investments (except in respect of income for which every investor is inherently subject to UK tax). This is on the basis that the investments held by the Funds meet the definition of a "specified transaction" as defined in The Investment Manager (Specified Transactions) Regulations 2009. It is expected that the assets held by the Company should meet the definition of a "specified transaction", although no guarantee is given in this respect.

If the Company failed to satisfy the conditions of the IME or if any investments held are not considered to be a "specified transaction", this may lead to tax leakage within the Funds.

In addition to the above, if HMRC successfully argue that a Fund is trading for UK tax purposes, the returns earned by the Fund from its interest in the underlying assets may need to be included in the Fund's calculation of "income" for the purposes of computing the relevant amount to report to investors in order to meet the requirements for UK Reporting Fund status. However, it is considered that the investments held by the Funds should meet the definition of an "investment transaction" as defined by The Offshore Funds (Tax) Regulations 2009 ("the regulations") which came into force on 1 December 2009. Therefore, it is considered that these investments should be considered as "non-trading transactions" as outlined in the regulations. This assumption is on the basis that the Company meets both the "equivalence condition" and the "genuine diversity of ownership" condition as outlined in the regulations.

Investors who are insurance companies subject to United Kingdom taxation holding their Shares in a Fund for the purposes of their long-term business (other than their pensions business) will be deemed to dispose of and immediately reacquire those Shares at the end of each accounting period. In general terms, the chargeable gains and allowable losses arising under the annual deemed disposal rules are aggregated and one-seventh of the net amount thus emerging is chargeable (where there are net gains) or allowable (where there are net losses) at the end of the accounting period in which the deemed disposals have taken place.

**Other jurisdictions**

The following sets out a summary of the tax status that Shares have obtained in various jurisdictions. Please note that this summary does not set out the tax implications for investors resident in such jurisdictions and the investors should refer to their tax advisors in relation to tax implications on investing in a Share Class.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

Up to date listings of the various tax reporting statuses obtained by the Company are available on the "Tax Information" section of the iShares website at www.ishares.com.

**German Taxation**

It is the intention of the Company to seek to maintain the status as 'equity' funds or 'mixed' funds (as applicable) pursuant to Sec. 2 para. 6 and 7 of the German Investment Tax Act as applicable from 1 January 2018 for the Funds listed in the table below.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

The Funds listed below invest, at least, the following proportions of their respective net asset value on a continuous basis directly in Equities (as defined below in accordance with Sec. 2 para. 8 of the German Investment Tax Act as at 1 January 2018):

| Fund | Minimum % of net asset value invested in Equities |
|---|---|
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) B | N/A |
| iShares $ Treasury Bond 3-7yr UCITS ETF | N/A |
| iShares $ Treasury Bond 7-10yr UCITS ETF USD (Acc) | N/A |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Acc) | N/A |
| iShares € Govt Bond 3-7yr UCITS ETF | N/A |
| iShares € Govt Bond 7-10yr UCITS ETF EUR (Acc) | N/A |
| iShares Core EURO STOXX 50 UCITS ETF | 80% |
| iShares Core FTSE 100 UCITS ETF GBP (Acc) | 70% |
| iShares Core MSCI EMU UCITS ETF | 80% |
| iShares Core MSCI Pacific ex-Japan UCITS ETF | 51% |
| iShares Core S&P 500 UCITS ETF | 75% |
| iShares Dow Jones Industrial Average UCITS ETF | 75% |
| iShares FTSE Italia Mid-Small Cap UCITS ETF | 80% |
| iShares FTSE MIB UCITS ETF EUR (Acc) | 51% |
| iShares MSCI Canada UCITS ETF | 65% |
| iShares MSCI EM Asia UCITS ETF | 51% |
| iShares MSCI EMU CHF Hedged UCITS ETF (Acc) | 65% |
| iShares MSCI EMU Paris-Aligned Climate UCITS ETF | 80% |
| iShares MSCI EMU Small Cap UCITS ETF | 51% |
| iShares MSCI EMU USD Hedged UCITS ETF (Acc) | 65% |
| iShares MSCI Japan UCITS ETF | 51% |
| iShares MSCI Korea UCITS ETF USD (Acc) | 51% |
| iShares MSCI Mexico Capped UCITS ETF | 65% |
| iShares MSCI UK Small Cap UCITS ETF | 51% |
| iShares MSCI UK UCITS ETF | 70% |
| iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF | 55% |
| iShares MSCI USA UCITS ETF | 80% |
| iShares Nasdaq 100 ex-Top 30 UCITS ETF | 51% |
| iShares Nasdaq 100 Top 30 UCITS ETF | 51% |
| iShares NASDAQ 100 UCITS ETF | 75% |
| iShares Nikkei 225 UCITS ETF | 51% |
| iShares Russell 1000 Growth UCITS ETF | 51% |
| iShares Russell 1000 Value UCITS ETF | 51% |
| iShares S&P 500 3% Capped UCITS ETF | 51% |
| iShares S&P 500 Paris-Aligned Climate UCITS ETF | 51% |
| iShares S&P 500 Top 20 UCITS ETF | 51% |

Each Fund calculates the indicated investment level on the basis of its net asset value. Pursuant to Sec. 2 para. 9a sentence 3 of the German Investment Tax Act as applicable from 1 January 2018 the value of the Equities is therefore reduced by the loans raised by the respective Fund proportionally to the percentage of the value of the Equities among the value of all gross assets of this Fund.

Corporate actions, subscriptions/redemptions, index rebalancings and market movements may temporarily cause a Fund not to meet the Equities investment levels set out above. The Funds may also enter into securities lending for the purpose of efficient portfolio management. The Equities investment levels set out above are exclusive of Equities that are lent out.

For the purpose of the above percentage numbers, "Equities" means in accordance with Sec. 2 para. 8 of the German Investment Tax Act as applicable from 1 January 2018:

1. Shares of a corporation which are admitted to official trading on a stock exchange or listed on an organised market (which is a market recognised and open to the public and which operates in a due and proper manner),
2. Shares of a corporation, which is not a real estate company and which:
    a. is resident in a Member State or a member state of the EEA and is subject to income taxation for corporations in that state and is not tax exempt; or
    b. is resident in any other state and is subject to an income taxation for corporations in that state at a rate of at least 15% and is not exempt from such taxation,
3. Fund units of an equity fund (being a fund that invests more than 50% of its gross assets on a continuous basis directly in Equities) with 51% of the equity fund units' value – or, if the investment conditions of the equity fund provide for a higher minimum Equities investment, with the respective higher percentage of the equity fund units' value – being taken into account as Equities, or
4. Fund units of a mixed fund (being a fund that invests at least 25% of its gross assets on a continuous basis directly in Equities) with 25% of the mixed fund units' value– or, if the investment conditions of the mixed fund provide for a higher minimum Equities investment, with the respective higher percentage of the equity fund units' value – being taken into account as Equities.

For purposes of calculating the investment levels set out above, the Funds may also consider the actual Equities quotas of the target funds published on each valuation day, provided that a valuation takes place at least once per week.

For the purpose of the above percentage numbers, the following in accordance with Sec. 2 para. 8 of the German Investment Tax Act as applicable from 1 January 2018 do not qualify as "Equities":

1. Shares in partnerships, even if the partnerships are holding themselves shares in corporations,
2. Shares in corporations, which pursuant to Sec. 2 para. 9 sentence 6 of the German Investment Tax Act qualify as real estate,
3. Shares in corporations which are exempt from income taxation, to the extent these corporations are distributing their profits, unless the distributions are subject to a taxation of at least 15% and the investment fund is not exempt from this taxation, and
4. Shares in corporations,
    a. whose income is directly or indirectly to more than 10% derived from shares in corporations, which do not fulfil the requirements of no. 2 a. or b. above, or
    b. which are holding directly or indirectly shares in corporations that do not fulfil the requirements of no. 2. a. or b. above, if the value of these participations amounts to more than 10% of the market value of the corporations.

The above reflects the Manager's understanding of the relevant German tax legislation at the date of this Prospectus. The legislation is subject to change and so adjustments to these figures may be made without prior notice.

**Austrian Taxation**

It is the intention of the Company to seek Austrian Reporting Fund status for Share Classes with a EUR or USD Valuation Currency.

**French Taxation**

The attention of investors is drawn to the fact that iShares Core EURO STOXX 50 UCITS ETF, iShares Core MSCI EMU UCITS ETF and iShares MSCI EMU Paris-Aligned Climate UCITS ETF are each eligible to be held within the framework of a share savings plan ("plan d'épargne en actions" or "PEA") in France. In this context, pursuant to Article 91 quarter L of Annex II to the General Tax Code, each of these Funds invests on a permanent basis at least 75% of its assets in securities or rights listed in (a) or (b) of I, 1° of Article L.221-31 of the Monetary and Financial Code.

The PEA eligibility of each of these Funds results from, to the best knowledge of the Company, tax law and practices in force in France as at the date of this Prospectus. Such tax law and practices may change from time to time and, therefore, a Fund which may currently be held within the framework of a PEA could lose its PEA eligibility. Further such Fund could lose its PEA eligibility due to changes impacting its investment universe or Benchmark Index. In such circumstances, a Shareholder notice will be published on the website of the Company. In such a case, investors should seek professional tax and financial advice.

**Pillar Two**

The OECD has issued work relating to the introduction of a system ensuring a minimum level of taxation for multinational enterprises ("**Pillar Two**"). The Pillar Two rules[2] aim to ensure that large multinational enterprise (MNE) groups pay a minimum level of tax on the income arising in each of the jurisdictions where they operate, by imposing a top-up tax whenever the effective tax rate, determined on a jurisdictional basis, is below the minimum rate specified in Pillar Two.

If an Investor entity or, where applicable, its ultimate parent entity consolidates (or is deemed to consolidate) a Fund in its consolidated financial statements ("**Consolidated Financial Statements**"), there is a risk that a Fund may become subject to Pillar Two tax.

If a Fund falls within the scope of Pillar Two, the effective tax rates within its structure could increase due to higher amounts of tax being due or the possible denial of deductions. Tax compliance costs may also increase, which could adversely affect returns to the Investors. In the event a Fund becomes liable for any Pillar Two tax, this may reduce the amounts available for distribution to the Investors.

Each Investor agrees to indemnify a Fund, on demand, for any Pillar Two tax liability and tax compliance costs that may be incurred by a Fund as a result of a (deemed) consolidation in the Consolidated Financial Statements relating to that Investor.

To the extent that any Pillar Two tax liability arises at the level of an Investor entity or, where applicable, the MNE group to which it belongs, as a result of the investment in a Fund, such liability shall be borne solely by the Investor giving rise to it (and not borne by a Fund or any other Investor). Investors are responsible for assessing their own Pillar Two tax position in connection with their investment in each Fund, including whether they may be required to consolidate a Fund on a line-by-line basis in their Consolidated Financial Statements. Investors must notify BlackRock as soon as any such (deemed) consolidation requirement is identified.

BlackRock reserves the right to redeem the investment shares of any Investor if such investment gives rise to additional Pillar Two tax at the level of a Fund and/or results in additional filing or compliance obligations for a Fund.

[2] The OECD's 2021 "Tax Challenges Arising from Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS" (the Model Rules) and Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU (the Pillar Two Directive), together with any current or future similar or related legislation in respect of any EU or non-EU jurisdiction and, in each case, any current or future legislation, regulations, guidance or official interpretations in connection therewith.

# SCHEDULE I

**The Regulated Markets**

With the exception of permitted investment in unlisted securities and off-exchange FDI, investment in securities or FDI will be made only in securities or FDI which are listed or traded on stock exchanges and markets listed below in this Prospectus or any Supplement thereto or revision thereof. The list is currently as follows:

**Recognised Investment Exchanges**

1. Recognised investment exchanges in any Member State (except Malta), Australia, Canada, Hong Kong, Iceland, Japan, Norway, New Zealand, Switzerland, the United Kingdom or the United States.

2. The following recognised investment exchanges:-

| | |
|---|---|
| **Argentina** | Bolsa de Comercio de Buenos Aires |
| | Mercado Abierto Electronico S.A. |
| **Bahrain** | Bahrain Bourse |
| **Bangladesh** | Dhaka Stock Exchange |
| **Brazil** | BM&F BOVESPA S.A. |
| **Chile** | Bolsa de Comercio de Santiago |
| | Bolsa Electronica de Chile |
| **China** | Shanghai Stock Exchange |
| | Shenzhen Stock Exchange |
| | Stock Connect |
| | Bond Connect |
| **Colombia** | Bolsa de Valores de Colombia |
| **Egypt** | Egyptian Stock Exchange |
| **India** | Bombay Stock Exchange, Ltd. |
| | National Stock Exchange |
| **Indonesia** | Indonesian Stock Exchange |
| **Israel** | Tel Aviv Stock Exchange |
| **Jordan** | Amman Stock Exchange |
| **The Republic of Korea** | Korea Exchange (Stock Market) |
| | Korea Exchange (KOSDAQ) |
| **Kenya** | Nairobi Securities Exchange |
| **Kuwait** | Kuwait Stock Exchange |
| **Malaysia** | Bursa Malaysia Securities Berhad |
| | Bursa Malaysia Derivatives Berhad |
| **Mauritius** | Stock Exchange of Mauritius |
| **Mexico** | Bolsa Mexicana de Valores |
| **Morocco** | Casablanca Stock Exchange |
| **Nigeria** | Nigeria Stock Exchange |
| **Oman** | Muscat Securities Market |
| **Pakistan** | Karachi Stock Exchange |
| **Peru** | Bolsa de Valores de Lima |
| **Philippines** | Philippines Stock Exchange |
| **Qatar** | Qatar Exchange |
| **Russia** | Open Joint Stock Company |
| | Moscow Exchange MICEX-RTS |
| | (Moscow Exchange) |
| **Saudi Arabia** | Tadawul Stock Exchange |
| **Singapore** | Singapore Exchange Limited |
| **South Africa** | JSE Limited |
| **Sri Lanka** | Colombo Stock Exchange |
| **Taiwan** | Taiwan Stock Exchange |
| **Thailand** | Stock Exchange of Thailand |
| **Turkey** | Istanbul Stock Exchange |
| **UAE – Abu Dhabi** | Abu Dhabi Securities Exchange |
| **UAE - Dubai** | Dubai Financial Market |
| | NASDAQ Dubai Limited |
| **Vietnam** | Ho Chi Minh Stock Exchange |

**Markets**

3. The following regulated markets including regulated markets on which FDI may be traded:-

   (a) the markets organised by the International Capital Market Association;

(b) the market conducted by "listed money market institutions" as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets (in Sterling, foreign currency and bullion)";

(c) AIM – the Alternative Investment Market in the UK, regulated and operated by the LSE;

(d) NASDAQ in the United States;

(e) the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

(f) the over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority and reportable on TRACE;

(g) the over-the-counter market in the United States regulated by MarketAxess;

(h) the over-the-counter market in the United States regulated by National Association Of Securities Dealers (NASD);

(i) the French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable debt instruments);

(j) The Korea Exchange (Futures Market);

(k) the over-the-counter market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organisation of Canada;

(l) the China Interbank Bond Market;

(m) any approved derivative market within the European Economic Area on which FDI are traded;

(n) EUROTLX (Multilateral Trading Facility);

(o) HI_MTF (Multilateral Trading Facility);

(p) NASDAQ OMX Europe (NEURO) (Multilateral Trading Facility);

(q) EURO MTF for securities (Multilateral Trading Facility);

(r) MTS Austria (Multilateral Trading Facility);

(s) MTS Belgium (Multilateral Trading Facility);

(t) MTS France (Multilateral Trading Facility);

(u) MTS Ireland (Multilateral Trading Facility);

(v) NYSE Bondmatch (Multilateral Trading Facility);

(w) POWERNEXT (Multilateral Trading Facility);

(x) Tradegate AG (Multilateral Trading Facility).

The above markets are listed in accordance with the requirements of the Central Bank, it being noted the Central Bank does not issue a list of approved markets or stock exchanges.

# SCHEDULE II

**Investment Techniques and Instruments for Efficient Portfolio Management/Direct Investment Purposes**

**A. Investment in FDI**

The following provisions apply whenever a Fund proposes to engage in transactions in FDI including, but not limited to, futures, forwards, swaps, inflation swaps (which may be used to manage inflation risk), options, swaptions and warrants, where the transactions are for the purposes of the efficient portfolio management of any Fund or for direct investment purposes (and such intention is disclosed in the Fund's investment policy). Where it does intend to engage in transactions in relation to FDI, the Manager will employ a risk management process to enable it to manage, monitor and measure, on a continuous basis, the various risks associated with FDI and their contribution to the overall risk profile of a Fund's portfolio. Only FDI which have been included in the risk management process will be used. The Company will, on request, provide supplemental information to holders of Shares relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The conditions and limits for the use of such techniques and instruments in relation to each Fund are as follows:

1. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).

2. A Fund may invest in FDI dealt OTC provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

3. Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

**B. Efficient Portfolio Management - other techniques and instruments**

1. In addition to the investments in FDI noted above in Section A of this Schedule II, the Company may employ other techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management purposes subject to the conditions imposed by the Central Bank such as repurchase/ reverse repurchase agreements, ("repo contracts") and securities lending. Techniques and instruments which relate to transferable securities and money market instruments and which are used for the purpose of efficient portfolio management, including FDI which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

   (a) they are economically appropriate in that they are realised in a cost-effective way;

   (b) they are entered into for one or more of the following specific aims:

      (i) reduction of risk;

      (ii) reduction of cost;

      (iii) generation of additional capital or income for a Fund with a level of risk which is consistent with the risk profile of a Fund and the risk diversification rules set out in the Central Bank UCITS Regulations;

   (c) their risks are adequately captured by the risk management process of a Fund; and

   (d) they cannot result in a change to a Fund's declared investment objectives or add substantial supplementary risks in comparison to the general risk policy as described in the sales documents.

   Techniques and instruments (other than FDI) may be used for efficient portfolio management purposes subject to the conditions set out below.

2. The following applies to repo contracts and securities lending arrangements, in particular, and reflects the requirements of the Central Bank:

   (a) Repo contracts and securities lending may only be effected in accordance with normal market practice.

   (b) The Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.

(c) Repo contracts or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

(d) Where the Company enters into repurchase agreements, it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

(e) Where the Company enters into reverse repurchase agreements, it must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of a Fund's Net Asset Value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

(f) The Manager conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Manager without delay.

**C. Risks and potential conflicts of interest involved in efficient portfolio management techniques.**

There are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities (see further below). Please refer to the section of this Prospectus entitled "Conflicts of Interest" and "Risk Factors" and, in particular but without limitation, the risk factors relating to FDI risks, counterparty risk and counterparty risk to the Depositary and other depositaries. These risks may expose investors to an increased risk of loss.

**D. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques**

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No.575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No.648/2012.*

(a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("Collateral"), such as repo contracts or securities lending arrangements, must comply with the following criteria:

(i) liquidity: Collateral (other than cash) should be highly liquid and traded on a Regulated Market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should also comply with the provisions of Regulation 74 of the Regulations;

(ii) valuation: Collateral should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) issuer credit quality: Collateral should be of high quality. The Manager shall ensure that:

A. where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and

B. where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (A) this shall result in a new credit assessment being conducted of the issuer by the Manager without delay;

(iv) correlation: Collateral should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Manager to expect that such Collateral would not display a high correlation with the performance of the counterparty;

(v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies set out in Schedule III, paragraph 2.12. Such a Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value; and

(vi) immediately available: Collateral should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

(b) Subject to the above criteria, Collateral must be in the form of one of the following:

(i) cash;

(ii) government or other public securities;

(iii) certificates of deposit issued by Relevant Institutions;

(iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where the issue or the issuer are rated A1 or equivalent;

(v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions; and

(vi) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia, New Zealand, Taiwan, Singapore, Hong Kong and the United Kingdom.

(c) Until the expiry of the repo contract or securities lending arrangement, collateral obtained under such contracts or arrangements:

(i) must be marked to market daily; and

(ii) is intended to equal or exceed the value of the amount invested or securities loaned plus a premium.

(d) Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.

(e) **Non-cash Collateral:**

Non- cash Collateral cannot be sold, re-invested or pledged.

(f) **Cash Collateral:**

Cash as Collateral may only be:

(i) placed on deposit with Relevant Institutions;

(ii) invested in high quality government bonds;

(iii) used for the purpose of reverse repurchase agreements provided the transactions are with Relevant Institutions and the Company can recall at any time the full amount of the cash on an accrued basis; and

(iv) invested in short term money market funds.

Re-invested Cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral.

(g) The Company has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

(h) The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in Schedule III, paragraph 2.8.

# SCHEDULE III

**Investment Restrictions**

Investment of the assets of the relevant Fund must comply with the Regulations. The Regulations provide:

| | |
|---|---|
| **1** | **Permitted Investments** |
| | Investments of a Fund are confined to: |
| **1.1** | Transferable securities and money market instruments, as prescribed in the Central Bank UCITS Regulations, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State. |
| **1.2** | Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year. |
| **1.3** | Money market instruments other than those dealt on a regulated market. |
| **1.4** | Units of UCITS. |
| **1.5** | Units of non-UCITS as set out in the Central Bank's guidance entitled "UCITS Acceptable Investment in other Investment Funds". |
| **1.6** | Deposits with credit institutions as prescribed in the Central Bank UCITS Regulations. |
| **1.7** | FDI as prescribed in the Central Bank UCITS Regulations. |
| **2** | **Investment Restrictions** |
| **2.1** | Each Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1. |
| **2.2** | Each Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain US securities known as Rule 144A securities provided that:<br>- the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and<br>- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund. |
| **2.3** | Subject to paragraph 2.4, each Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%. |
| **2.4** | The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund. |
| **2.5** | The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members. |
| **2.6** | The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3. |
| **2.7** | Each Fund may not invest more than 20% of its Net Asset Value in deposits and cash booked in accounts and held as ancillary liquidity with the same credit institution.<br><br>Deposits, or cash booked in accounts and held as ancillary liquidity, shall only be made with a credit institution which is within at least one of the following categories:<br><br>- a credit institution authorised in the EEA (a Member State, Norway, Iceland, Liechtenstein);<br>- a credit institution authorised within a signatory state (other than an EEA member state) to the |

| | |
|---|---|
| | Basle Capital Convergence Agreement of July 1988; or<br>- a credit institution in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No.575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No.648/2012. |
| **2.8** | The risk exposure of a Fund to a counterparty to an OTC FDI may not exceed 5% of its Net Asset Value.<br><br>This limit is raised to 10% in the case of a credit institution which is within at least one of the categories of credit institution specified in paragraph 2.7. |
| **2.9** | Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of a Fund's Net Asset Value:<br>- investments in transferable securities or money market instruments;<br>- deposits, and/or<br>- counterparty risk exposures arising from OTC FDI transactions. |
| **2.10** | The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of a Fund's Net Asset Value. |
| **2.11** | Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of a Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group. |
| **2.12** | Each Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.<br><br>The individual issuers must be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of the People's Republic of China, Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank , Tennessee Valley Authority and Straight-A Funding LLC.<br><br>Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets. |
| **3** | **Investment in Collective Investment Schemes ("CIS")** |
| **3.1** | Subject to section 3.2, investments made by a Fund in units of other CIS may not exceed, in aggregate, 10% of the assets of the Fund. |
| **3.2** | Notwithstanding the provisions of section 3.1, where the investment policy of a Fund states in the Prospectus or a Supplement that it may invest more than 10% of its assets in other UCITS or collective investment schemes, the following restrictions shall apply instead of the restrictions set out at section 3.1 above:<br><br>(a) Each Fund may not invest more than 20% of its Net Asset Value in any one CIS.<br><br>(b) Investments in non-UCITS CIS may not, in aggregate, exceed 30% of its Net Asset Value. |
| **3.3** | The CIS are prohibited from investing more than 10% of net assets in other CIS. |
| **3.4** | When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, switching or redemption fees on account of the Fund's investment in the units of such other CIS. |
| **3.5** | Where a commission (including a rebated commission) is received by the Fund's manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund. |

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| **3.6** | Where the investment policy of a Fund states that it may invest in other Funds of the Company, the following restrictions will apply:<br><br>▯ a Fund will not invest in another Fund of the Company which itself holds Shares in other Funds within the Company;<br><br>▯ a Fund which invests in another Fund of the Company will not be subject to subscription, switching or redemption fees; and<br><br>▯ the Manager will not charge a management fee to a Fund in respect of that portion of the Fund's assets invested in another Fund of the Company (this provision also applies to the annual fee charged by the Investment Manager where this fee is paid directly out of the assets of the Company). |
| **4** | **Index Tracking UCITS** |
| **4.1** | A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank |
| **4.2** | The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions, for example, market dominance. Market dominance exists where a particular constituent of a Benchmark Index has a dominant position in the particular market sector in which it operates and as such accounts for a large proportion of a Benchmark Index. |
| **5** | **General Provisions** |
| **5.1** | An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body. |
| **5.2** | A UCITS may acquire no more than:<br>(i) 10% of the non-voting shares of any single issuing body;<br>(ii) 10% of the debt securities of any single issuing body;<br>(iii) 25% of the units of any single CIS;<br>(iv) 10% of the money market instruments of any single issuing body.<br><br>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated. |
| **5.3** | 5.1 and 5.2 shall not be applicable to:<br><br>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;<br>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;<br>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;<br>(iv) shares held by a Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.<br>(v) shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf. |
| **5.4** | A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets. |
| **5.5** | The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.11, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading. |

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| **5.6** | If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its holders of Shares. |
| **5.7** | A Fund may not carry out uncovered sales of:<br>- transferable securities;<br>- money market instruments;<br>- units of CIS; or<br>- FDI. |
| **5.8** | A Fund may hold ancillary liquid assets. |
| **6** | **FDI** |
| **6.1** | Any Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total Net Asset Value. |
| **6.2** | Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.) |
| **6.3** | Any Fund may invest in FDI dealt OTC provided that<br>- The counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank. |
| **6.4** | Investment in FDI are subject to the conditions and limits laid down by the Central Bank. |

**Borrowing Restrictions**

The Regulations provide that the Company in respect of each Fund:

(a) may not borrow, other than borrowings which in the aggregate do not exceed 10% of the Net Asset Value of the Fund and provided that this borrowing is on a temporary basis. The Depositary may give a charge on the assets of the Fund in order to secure borrowings. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding;

(b) may acquire foreign currency by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowings for the purpose of the borrowing restriction in paragraph (a), provided that the offsetting deposit: (i) is denominated in the Base Currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding. However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purposes of paragraph (a) above.

Any short selling of money market instruments by UCITS is prohibited.

# SCHEDULE IV

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- *recommend that any person invest in the Fund or any other securities.*

- *have any responsibility or liability for or make any decisions about the timing, amount or pricing of the Fund.*
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***Specifically,***

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  - *The accuracy, timeliness, and completeness of the Index and its data;*
  - *The merchantability and the fitness for a particular purpose or use of the Index and its data;*
  - *The performance of the Fund generally.*
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# SCHEDULE V

## US Persons

1. Pursuant to Regulation S of the 1933 Act, "US Person" means:
   - 1.1 any natural person resident in the United States;
   - 1.2 any partnership or corporation organised or incorporated under the laws of the United States;
   - 1.3 any estate of which any executor or administrator is a US person;
   - 1.4 any trust of which any trustee is a US person;
   - 1.5 any agency or branch of a foreign entity located in the United States;
   - 1.6 any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
   - 1.7 any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or
   - 1.8 any partnership or corporation if:
     - (a) organised or incorporated under the laws of any non-US jurisdiction; and
     - (b) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trusts.

2. Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States shall not be deemed a "US Person."

3. Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a US Person shall not be deemed a US Person if:
   - 3.1 an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and
   - 3.2 the estate is governed by non-US law.

4. Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person.

5. Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a US Person.

6. Notwithstanding (1) above, any agency or branch of a US Person located outside the United States shall not be deemed a "US Person" if:
   - 6.1 the agency or branch operates for valid business reasons; and
   - 6.2 the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

7. The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans shall not be deemed "US Persons."

The Directors may amend the above listed meanings without Shareholder notice as necessary in order to best reflect then-current application US law and regulation.

## SCHEDULE VI

The following third-party delegates have been appointed by the Depositary in the referenced markets as sub-custodians. The list of markets below represents the global custody network of the Depositary whereas the assets of the Company will normally be listed or traded on Regulated Markets set out in Schedule I.

| Country / Market | Sub-Custodian | Address |
|---|---|---|
| **Argentina** | Citibank N.A., Argentina *<br>* On March 27, 2015, the Comisión Nacional de Valores (CNV: National Securities Commission) has<br>appointed the central securities depository Caja de<br>Valores S.A. to replace the branch of Citibank N.A.<br>Argentina for those activities performed within the<br>capital markets and in its role as Sub-custodian. | Bartolome Mitre 502/30<br><br>(C1036AAJ) Buenos Aires, Argentina |
| **Australia** | National Australia Bank Limited | 12th Floor, 500 Bourke Street, Melbourne<br>Victoria 3000, Australia |
| **Australia** | Citigroup Pty Limited | Level 16, 120 Collins Street, Level 16, 120 Collins Street, Australia |
| **Austria** | Citibank N.A. Milan | Via Mercanti, 12<br>20121 Milan<br>Italy |
| **Bahrain** | HSBC Bank Middle East Limited | 2nd Floor, Building No 2505, Road No 2832,<br>Al Seef 428, Bahrain |
| **Bangladesh** | The Hongkong and Shanghai Banking Corporation Limited | Management Office,<br>Shanta Western Tower,<br>Level 4, 186 Bir Uttam Mir Shawkat Ali Shorok,<br>(Tejgaon Gulshan Link Road) Tejgaon<br>Industrial Area,<br>Dhaka 1208, Bangladesh |
| **Belgium** | Citibank International Limited | Citigroup Centre<br>Canada Square,<br>Canary Wharf<br>London E14 5LB<br>United Kingdom |
| **Bermuda** | HSBC Bank Bermuda Limited | Custody and Clearing Department<br>6 Front Street<br>Hamilton<br>Bermuda HM11 |
| **Botswana** | Stanbic Bank Botswana Limited | Plot 50672, Fairground Office Park<br>Gaborone, Botswana |
| **Brazil** | Citibank N.A., Brazil | Citibank N.A.<br>Avenida Paulista, 1111 – 12th floor<br>Cerqueira Cesar – Sao |

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| | | Paulo, Brazil<br>CEP: 01311-920 |
| **Brazil** | Itau Unibanco S.A. | Praça Alfredo Egydio de Souza Aranha, 100, São Paulo, S.P. - Brazil 04344-902 |
| **Bulgaria** | Citibank Europe plc, Bulgaria Branch | 48 Sitnyakovo Blvd<br>Serdika Offices, 10th floor<br>Sofia 1505, Bulgaria |
| **Canada** | CIBC Mellon Trust Company (CIBC Mellon) | 320 Bay Street<br>Toronto, Ontario, M5H 4A6<br>Canada |
| **Cayman Islands** | The Bank of New York Mellon | 1 Wall Street<br>New York, NY 10286<br>United States |
| **Chile** | Banco de Chile | Estado 260<br>2nd Floor<br>Santiago, Chile<br>Postal code 8320204 |
| **Chile** | Bancau Itau S.A. Chile | Avenida Apoquindo 3457, Las Condes, 7550197, Santiago, Chile |
| **China** | HSBC Bank (China) Company Limited | 33 Floor, HSBC Building, Shanghai ifc<br>8 Century Avenue, Pudong<br>Shanghai, China (200120) |
| **Colombia** | Cititrust Colombia S.A. Sociedad Fiduciaria | Carrera 9A No 99-02 Piso 3<br>Bogota D.C., Colombia |
| **Costa Rica** | Banco Nacional de Costa Rica | 1st and 3rd Avenue, 4th Street<br>San José, Costa Rica |
| **Croatia** | Privredna banka Zagreb d.d. | Radnicka cesta 50<br>10 000 Zagreb<br>Croatia |
| **Cyprus** | BNP Paribas Securities Services S.C.A., Athens | 94 V. Sofias Avenue & 1 Kerasountos<br>115 28 Athens<br>Greece |
| **Czech Republic** | Citibank Europe plc, organizacni slozka | Bucharova 2641/14<br>158 02 Prague 5, Czech Republic |
| **Denmark** | Skandinaviska Enskilda Banken AB (Publ) | Kungsträdgårdsgatan 8<br>106 40 Stockholm - Sweden |
| **Egypt** | HSBC Bank Egypt S.A.E. | 306 Corniche El Nil,<br>Maadi, Cairo, Egypt |
| **Estonia** | SEB Pank AS | Tornimäe Str. 2<br>15010 Tallinn<br>Estonia |
| **Finland** | Finland Skandinaviska Enskilda Banken AB (Publ) | Kungsträdgårdsgatan 8<br>106 40 Stockholm - Sweden |

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| **France** | BNP Paribas Securities Services S.C.A. | Office Address: Les Grands Moulins de Pantin – 9 rue du Débarcadère<br>93500 Pantin, France<br><br>Legal address: 3 rue d'Antin, 75002 Paris, France |
| **France** | Citibank International Limited (cash deposited with Citibank NA) | Citigroup Centre, Canada Square, Canary Wharf, London E14 5LB<br>United Kingdom |
| **Germany** | The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main | Friedrich-Ebert-Anlage, 49<br>60327 Frankfurt am Main<br>Germany |
| **Ghana** | Stanbic Bank Ghana Limited | Stanbic Heights, Plot No. 215 South Liberation RD, Airport City, Cantonments, Accra, Ghana |
| **Greece** | BNP Paribas Securities Services S.C.A., Athens | 94 V. Sofias Avenue & 1 Kerasountos<br>115 28 Athens<br>Greece |
| **Hong Kong** | The Hongkong and Shanghai Banking Corporation Limited | 1, Queen's Road, Central<br>Hong Kong |
| **Hong Kong** | Deutsche Bank AG | 52/F International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong |
| **Hungary** | Citibank Europe plc. Hungarian Branch Office | Szabadság tér 7<br>1051 Budapest<br>Hungary |
| **Iceland** | Landsbankinn hf. | Austurstraeti 11<br>155 Reykjavik<br>Iceland |
| **India** | Deutsche Bank AG | 4th Floor, Block I, Nirlon Knowledge Park,<br>W.E. Highway Mumbai - 400 063, India |
| **India** | HSBC Ltd | 11F, Building 3, NESCO - IT Park, NESCO Complex, Western Express Highway, Goregaon (East), Mumbai 400063, India |
| **Indonesia** | Deutsche Bank AG | 7th Floor, Deutsche Bank Building Jl. Imam Bonjol No.80, Jakarta – 10310, Indonesia |
| **Ireland** | The Bank of New York Mellon | 1 Wall Street<br>New York, NY 10286<br>United States |
| **Israel** | Bank Hapoalim B.M. | 50 Rothschild Blvd<br>Tel Aviv 66883<br>Israel |

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| **Italy** | Citibank N.A. Milan | Via Mercanti 12<br>20121 Milan<br>Italy |
| **Italy** | Intesa Sanpaolo S.p.A. | Piazza San Carlo, 156,<br>10121 Torino, Italy. |
| **Japan** | Mizuho Bank, Ltd. | 4-16-13, Tsukishima, Chuo-ku,<br>Tokyo 104- 0052 Japan |
| **Japan** | The Bank of Tokyo-Mitsubishi UFJ, Ltd. | 1-3-2, Nihombashi<br>Hongoku-cho, Chuo-ku,<br>Tokyo 103-0021, Japan |
| **Jordan** | Standard Chartered Bank | 1 Basinghall Avenue<br>London, EC2V5DD,<br>England |
| **Kazakhstan** | Joint-Stock Company Citibank Kazakhstan | Park Palace Building A,<br>41 Kazybek Bi Street,<br>Almaty,<br>Kazakhstan |
| **Kenya** | CfC Stanbic Bank Limited | First Floor, CfC Stanbic Centre<br>P.O. Box 72833 00200<br>Chiromo Road,<br>Westlands,<br>Nairobi,<br>Kenya |
| **Kuwait** | HSBC Bank Middle East Limited, Kuwait | Hamad Al-Saqr St., Qibla Area, Kharafi Tower, G/1/2<br>P.O. Box 1683, Safat 13017, Kuwait |
| **Latvia** | AS SEB banka | Meistaru iela 1<br>Valdlauci<br>Kekavas pagasts,<br>Kekavas novads<br>LV-1076<br>Latvia |
| **Lebanon** | HSBC Bank Middle East Limited – Beirut Branch | Lebanon Head Office<br>Minet EL-Hosn,<br>P.O. Box: 11-1380 Beirut,<br>Lebanon |
| **Lithuania** | AB SEB bankas | 12 Gedimino Av.<br>LT-01103 Vilnius<br>Lithuania |
| **Luxembourg** | Euroclear Bank | 1 Boulevard du Roi Albert II<br>B-1210 Brussels - Belgium |
| **Malaysia** | Deutsche Bank (Malaysia) Berhad | Level 20, Menara IMC<br>No 8 Jalan Sultan Ismail<br>50250 Kuala Lumpur,<br>Malaysia |
| **Malaysia** | HSBC Bank Malaysia Berhad | HSBC Bank Malaysia Berhad, 12th Floor, South Tower, 2 Leboh Ampang,<br>50100 Kuala Lumpur,<br>Malaysia |

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| **Malta** | The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main | Friedrich-Ebert-Anlage, 49<br>60327 Frankfurt am Main<br>Germany |
| **Mauritius** | The Hongkong and Shanghai Banking Corporation Limited | 5th Floor, HSBC Centre, 18 Cybercity,<br>Ebene, Mauritius |
| **Mexico** | Banco Nacional de México S.A. | Isabel la Catolica No. 44<br>Colonia Centro<br>Mexico, D.F.<br>C.P. 06000 |
| **Morocco** | Citibank Maghreb | Zenith Millenium, Immeuble 1<br>Sidi Maarouf, B.P. 40<br>20190 Casablanca<br>Morocco |
| **Namibia** | Standard Bank Namibia Limited | N2nd Floor, Standard Bank Centre, Town Square<br>Corner of Post Street Mall and Werner List Street<br>Windhoek, Namibia |
| **Netherlands** | The Bank of New York Mellon SA/NV | Boulevard Anspachlaan 1<br>B-1000 Brussels<br>Belgium |
| **New Zealand** | National Australia Bank Limited | 12th Floor, 500 Bourke Street, Melbourne<br>Victoria 3000, Australia |
| **Nigeria** | Stanbic IBTC Bank Plc | Walter Carrington Crescent, Victoria Island,<br>Lagos, Nigeria |
| **Norway** | Skandinaviska Enskilda Banken AB (Publ) | Kungsträdgårdsgatan 8<br>106 40 Stockholm -<br>Sweden |
| **Oman** | HSBC Bank Oman S.A.O.G. | 2nd Floor, Head Office Building,<br>P.O. Box 1727, Al Khuwair,<br>Postal Code 111,<br>Sultanate of Oman |
| **Pakistan** | Deutsche Bank AG | 242-243, Avari Plaza,<br>Fatima Jinnah Road<br>Karachi – 75330, Pakistan |
| **Peru** | Citibank del Peru S.A. | Avenida Canaval y Moreyra, 480, 3rd floor<br>Lima 27, Peru |
| **Philippines** | Deutsche Bank AG | 23rd Floor, Tower One & Exchange Plaza,<br>Ayala Triangle, Ayala Avenue,<br>1226 Makati City<br>Philippines |
| **Poland** | Bank Polska Kasa Opieki S.A. | 53/57 Grzybowska Street<br>00-950 Warszawa |
| **Portugal** | Citibank International Limited, Sucursal em Portugal | Rua Barata Salgueiro, 30<br>1269-056 Lisbon<br>Portugal |

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| **Qatar** | HSBC Bank Middle East Limited, Doha | 2nd Floor, Ali Bin Ali Tower, Building no:<br>150, Al Matar Street<br>(Airport Road)<br>P.O. Box 57, Street no. 950,<br>Umm Ghuwalina Area,<br>Doha, Qatar |
| **Romania** | Citibank Europe plc, Romania Branch | 145, Calea Victoriei<br>010072 Bucharest<br>Romania |
| **Russia** | Deutsche Bank Ltd | 82 Sadovnicheskaya Street, Building 2<br>115035 Moscow, Russia |
| **Russia** | AO Citibank | 8-10, building 1 Gasheka Street, Moscow 125047, Russia |
| **Saudi Arabia** | HSBC Saudi Arabia Limited | HSBC Building, 7267 Olaya Road, Al-Murooj<br>Riyadh 12283-22555,<br>Kingdom of Saudi Arabia |
| **Serbia** | UniCredit Bank Serbia JSC | Rajiceva Street 27-29,<br>11000 Belgrade,<br>Serbia |
| **Singapore** | DBS Bank Ltd | 12 Marina Boulevard<br>Marina Bay Financial Centre Tower 3<br>Singapore 018982 |
| **Singapore** | United Overseas Bank Ltd | 80 Raffles Place, UOB Plaza, Singapore 048624 |
| **Slovak Republic** | Citibank Europe plc, pobocka zahranicnej banky | Mlynske Nivy 43<br>825 01 Bratislava, Slovak Republic |
| **Slovenia** | UniCredit Banka Slovenia d.d. | Smartinska 140, 1000 - Ljubljana, Slovenia |
| **South Africa** | The Standard Bank of South Africa Limited | 9th Floor<br>5 Simmonds Street<br>Johannesburg 2001, South Africa |
| **South Korea** | The Hongkong and Shanghai Banking Corporation Limited | 5th Floor, HSBC Building, 37, Chilpae-ro,<br>Jung-Gu, Seoul, Korea, 100-161 |
| **South Korea** | Deutsche Bank AG | 18th Floor, Young-Poong Building 41<br>Cheonggyecheon-ro,<br>Jongro-ku, Seoul 03188,<br>South Korea |
| **Spain** | Banco Bilbao Vizcaya Argentaria, S.A. | Plaza San Nicolás, 4<br>48005 Bilbao<br>Spain |
| **Spain** | Santander Securities Services S.A.U. | Ciudad Grupo Santander.<br>Avenida de Cantabria s/n,<br>Boadilla del Monte 28660 – Madrid, Spain |

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| **Sri Lanka** | The Hongkong and Shanghai Banking Corporation Limited | 24 Sir Baron Jayathilake Mawatha Colombo 01, Sri Lanka |
| **Swaziland** | Standard Bank Swaziland Limited | Standard House, Swazi Plaza<br>Mbabane, Swaziland |
| **Sweden** | Skandinaviska Enskilda Banken AB (Publ) | Kungsträdgårdsgatan 8<br>106 40 Stockholm - Sweden |
| **Switzerland** | Credit Suisse AG | Paradeplatz 8<br>8070 Zurich<br>Switzerland |
| **Switzerland** | UBS Switzerland AG | Bahnhofstrasse 45, 8001 Zürich, Switzerland |
| **Taiwan** | HSBC Bank (Taiwan) Limited | 16th floor, Building G, No. 3-1 Park Street<br>Taipei 115, Taiwan |
| **Taiwan** | Standard Chartered Bank (Taiwan) Ltd. | No 168, Tun Hwa North Road, Taipei 105, Taiwan |
| **Thailand** | The Hongkong and Shanghai Banking Corporation Limited | Level 5, HSBC Building, 968 Rama IV<br>Road, Bangrak Bangkok 10500, Thailand |
| **Tunisia** | Banque Internationale Arabe de Tunisie | 70-72, Avenue Habib Bourguiba<br>1080 Tunis<br>Tunisia |
| **Turkey** | Deutsche Bank A.S. | Esentepe Mahallesi<br>Büyükdere Caddesi<br>Tekfen Tower No:209 K:17<br>Sisli<br>TR-34394-Istanbul, Turkey |
| **Uganda** | Stanbic Bank Uganda Limited | Plot 17 Hannington Road<br>Short Tower- Crested Towers<br>P.O. Box 7131, Kampala, Uganda |
| **Ukraine** | Public Joint Stock Company "Citibank" | 16G Dilova Street<br>03150 Kiev<br>Ukraine |
| **U.A.E.** | HSBC Bank Middle East Limited, Dubai | Emaar Square, Building 5, Level 4<br>PO Box 502601 Dubai, United Arab Emirates |
| **U.K.** | Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch | Winchester House<br>1 Great Winchester Street<br>London EC2N 2DB<br>United Kingdom |
| **U.K.** | The Bank of New York Mellon | 225 Liberty Street, New York, NY 10286, United States |
| **U.S.A.** | The Bank of New York Mellon | 225 Liberty Street, New York, NY 10286, United States |

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| **Uruguay** | Banco Itaú Uruguay S.A. | Dr. Luis Bonavita 1266<br>Toree IV, Piso 10<br>CP 11300 Montevideo,<br>Uruguay |
| **Venezuela** | Citibank N.A., Sucursal Venezuela | Av. Casanova, Centro<br>Comercial El Recreo<br>Torre Norte, Piso 19<br>Sabana Grande, Caracas<br>1050 D.C.<br>Venezuela |
| **Vietnam** | HSBC Bank (Vietnam) Ltd | The Metropolitan, 235<br>Dong Khoi Street<br>District 1, Ho Chi Minh City,<br>Vietnam |
| **Zambia** | Stanbic Bank Zambia Limited | Stanbic House, Plot 2375,<br>Addis Ababa Drive<br>P.O Box 31955<br>Lusaka, Zambia |
| **Zimbabwe** | Stanbic Bank Zimbabwe Limited | 59 Samora Machel Avenue,<br>Harare, Zimbabwe |

## SCHEDULE VII

iShares
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**2 March 2026**

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name: iShares MSCI EMU Paris-Aligned Climate UCITS ETF**

**Legal entity identifier: 549300Y1LT74Z0VNE181**

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| ☐ Yes | | ☒ No | |
|---|---|---|---|
| ☐ | It will make a minimum of **sustainable investments with an environmental objective:** ___% | ☒ | It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 40% of sustainable investments |
| ☐ | in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ | with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ | in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ | with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | | ☒ | with a social objective |
| ☐ | It will make a minimum of **sustainable investments with a social objective**: ___% | ☐ | It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

### What environmental and/or social characteristics are promoted by this financial product?

The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the MSCI EMU Climate Paris Aligned Benchmark Select PAB Index, its Benchmark Index:

1. exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes.
2. exclusion of issuers deemed to be involved in very severe ESG related controversies;
3. exclusion of issuers deemed to be involved in very severe or severe controversies relating to environmental issues;
4. exposure to issuers which have been selected and weighted to align with the climate commitments laid down in the Paris Agreement; and
5. exposure to investments qualifying as sustainable investments.

These environmental and social characteristics are incorporated through the selection of constituents in the Fund's Benchmark Index at each index rebalance (as described below).

The Benchmark Index has been labelled by the index provider as an EU Paris-aligned Benchmark ("PAB") (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation in respect of the criteria for the selection, weighting and, where applicable, exclusion of the underlying assets, to align with the climate commitments laid down in the Paris Agreement.

The Benchmark Index excludes issuers from the MSCI EMU Index (the 'Parent Index') based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- controversial weapons
- conventional weapons
- nuclear weapons
- civilian firearms
- tobacco
- thermal coal mining
- oil and gas
- oil sands
- power generation (relating to thermal coal-based power generation, liquid fuel-based
- power generation and natural gas based power generation)

The index provider defines what constitutes 'involvement' in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers with a 'red' MSCI ESG controversy flag (based on an MSCI ESG controversy score of 0). An MSCI ESG controversy score measures an issuer's involvement (or alleged involvement) in serious controversies based on an assessment of an issuer's operations, products and/or services which are deemed to have a negative ESG impact.

An MSCI ESG controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI ESG controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

Companies with a 'red' or 'orange' MSCI environmental controversy flag (based on an MSCI environmental controversy score) are also excluded from the Benchmark Index.

Following the application of the above exclusionary criteria, the constituents of the Benchmark Index are selected and weighted using the index provider's optimisation process at each index rebalance which seeks to:

- reduce the weighted average greenhouse gas (GHG) intensity (Scope 1+2+3) by 50%
- compared to the Parent Index;
- reduce the weighted average GHG intensity (Scope 1+2+3) by 10% on an annual basis;
- optimise exposure to sectors with a high impact on climate change that is at least equivalent to the Parent Index (to align with the objective of a PAB to include exposure to sectors that have a need to actively reduce GHG emissions);
- minimum increase in weighted average low carbon transition (LCT) score relative to Parent Index:
- minimum ratio of weighted average green revenue/ weighted average brown revenue relative to Parent Index; and
- minimum increase in weighted average green revenue relative to the Parent Index.

In addition, companies which have been identified as having a 'red' MSCI ESG controversy flag, may also be removed from the Benchmark Index in between index rebalances in accordance with the index methodology.

| | | |
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| | | For more information on where details of the methodology of the Benchmark Index can be found please see Where can the methodology used for the calculation of the designated index be found? (below). |

| | | |
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| **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained. | | ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*** |
| | | The following sustainability indicators are based on the ESG selection criteria of the Benchmark Index tracked by the Fund and are used to measure the attainment of the environmental and social characteristics promoted by the Fund:<br>1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>2. The exclusion of companies identified as being involved in ESG related controversies as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>3. The exclusion of companies identified as being involved in environmental controversies as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>4. The weighted average ratio of overall green revenue to fossil fuels-based revenue as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>5. The weighted average green revenue relative to the Parent Index (see What environmental and/or social characteristics are promoted by this financial product?).<br>6. The weighted average LCT score relative to Parent Index (see What environmental and/or social characteristics are promoted by this financial product?).<br>7. The exposure to sectors with a high impact on climate change as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>8. The GHG intensity relative to the Parent Index as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>9. The reduction of the weighted average GHG intensity per year in line with the minimum PAB standards (7%).<br>10. The Fund's investments qualifying as sustainable investments as described below (see What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?).<br>11. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).<br>The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index. |

Where a constituent is removed from the Benchmark Index in between index rebalances, the Fund's portfolio will be re-aligned thereafter as soon as possible and practicable (in the Investment Manager's view) to align with the Benchmark Index.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

By investing in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the Fund's Benchmark Index, a proportion of the Fund's investments will be in activities deemed to contribute to positive environmental and/or social impacts or in companies which have committed to science-based carbon reduction targets (as described below).

The index provider seeks to allocate a proportion of the Benchmark Index to companies that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The Benchmark Index uses the MSCI ESG Sustainable Impact Metrics which aim to measure revenue exposure to positive sustainable impacts in line with the United Nations' Sustainable Development Goals, the European Union Taxonomy and other sustainability-related frameworks. The MSCI ESG Sustainable Impact Metrics consider positive environmental impacts in relation to themes such as climate change and natural capital and seek to identify those companies that may derive revenues from activities (or related activities) such as alternative energy, energy efficiency and green building, sustainable water, pollution prevention and control and sustainable agriculture. The MSCI ESG Sustainable Impact Metrics also consider positive societal impacts in relation to themes such as basic needs and empowerment and seek to identify those companies that may derive revenues from activities (or related activities) such as nutrition, major disease treatments, sanitation, affordable real estate, small and medium enterprises (SME) finance, education and connectivity.

The environmental and social themes together with the revenue alignment thresholds are determined by the index provider and are applied at each index rebalance of the Benchmark Index.

The Benchmark Index also seeks to identify constituents with a commitment to one or more active carbon emissions reduction target(s) approved by the SBTi. The SBTi seeks to provide a clearly defined pathway for companies and financial institutions to reduce greenhouse gas (GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

The sustainable investments within the Fund may contribute to either an environmental objective or a social objective or a combination of the two. The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the starting universe of the Benchmark Index.

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| **Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters. | | ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?*** |
| | | At each index rebalance, all investments qualifying as sustainable investments are screened by the index provider against certain minimum environmental and social indicators. As part of the screening criteria applied by the index provider, companies are assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where a company has been identified by the index provider as being involved in activities with highly negative environmental and social impacts, it shall not be eligible as a sustainable investment.<br><br>By tracking the Benchmark Index which incorporates these environmental and social related screens, the Investment Manager has determined that, at each index rebalance (or as soon as possible and practicable thereafter), the Fund's investments qualifying as sustainable investments, will not cause significant harm to any environmental or social sustainable objective within the meaning of applicable law and regulation. |
| | | *How have the indicators for adverse impacts on sustainability factors been taken into account?* |
| | | The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the screening criteria applied by the index provider in the selection of index constituents qualifying as sustainable investments.<br><br>As a result of the screening criteria applied by the index provider, the following investments within the Benchmark Index shall not qualify as sustainable investments: (1) companies deriving a minimum % revenue from thermal coal (as determined by the index provider) which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions), (2) companies with an 'orange' MSCI ESG controversy flag that have been deemed to be involved in severe or very severe ESG related controversies (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) companies with an MSCI ESG rating of B or below, which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).<br><br>The Benchmark Index also excludes: (1) companies with a 'red' MSCI ESG controversy flag which includes companies determined to be in violation of international and/or national standards (taking into account indicators concerning violations of United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises), and (2) companies determined to have any tie to controversial weapons (taking into account indicators concerning ties to controversial weapons). |
| | | *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:* |
| | | The Fund's Benchmark Index excludes issuers with a 'red' ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.<br><br>The Benchmark Index applies the above exclusionary criteria at each index rebalance. |
| | | |

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒Yes

☐No

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as 'X' in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund's annual report will include information on the principal adverse impacts on sustainability factors set out below.

| | **PAI Description** | | | | | |
|---|---|---|---|---|---|---|
| | | **Minimum % reduction of GHG emissions and carbon intensity** | **Exclusion of issuers based on certain environmental screens (listed above)** | **Exclusion of issuers based on an MSCI ESG Controversy Score** | **Exclusion of issuers determined to have any tie to controversial weapons** | **Minimum weighted green to fossil fuel based ratio** |
| Greenhouse Gas (GHG) emissions | 1.(a) GHG emissions (Scope 1/2) | X | | | | |
| | 1.(b) GHG emissions (Scope 3) | X | | | | |
| | 2. Carbon footprint | X | | | | |
| | 3. GHG intensity | X | | | | |
| | 4. % in Fossil Fuels | | X | | | |
| | 5. Non-Renewable / Renewable % | | | | | X |
| | 6. High impact sector energy consumption | | | | | |
| Biodiversity | 7. Negative impact to Biodiversity sensitive areas | | | X | | |
| Water | 8. Emissions to Water | | | X | | |
| Waste | 9. Hazardous Waste | | | X | | |
| Social and employee matters | 10. UNGC + OECD Violations | | | X | | |
| | 11. UNGC + OECD Process, Monitoring | | | | | |
| | 12. Unadjusted gender pay gap | | | | | |
| | 13. Board gender diversity | | | | | |
| | 14. Controversial weapons | | | | X | |

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| | | **What investment strategy does this financial product follow?** |
| **The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance | | The investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>The Fund seeks to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index where possible and practicable.<br><br>By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.<br><br>The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.<br><br><u>Governance Processes</u><br>The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies. |

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| | | ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?*** |
| | | The binding elements of the investment strategy are that the Fund will invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.<br><br>In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position. |

| | | |
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| | | ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?*** |
| | | There is no committed minimum rate to reduce the scope of the Fund's investments.<br><br>The Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index. |

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

***What is the policy to assess good governance practices of the investee companies?***

Good governance checks are incorporated within the methodology of the Benchmark Index.

The index provider excludes companies from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) and excludes companies that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above).

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

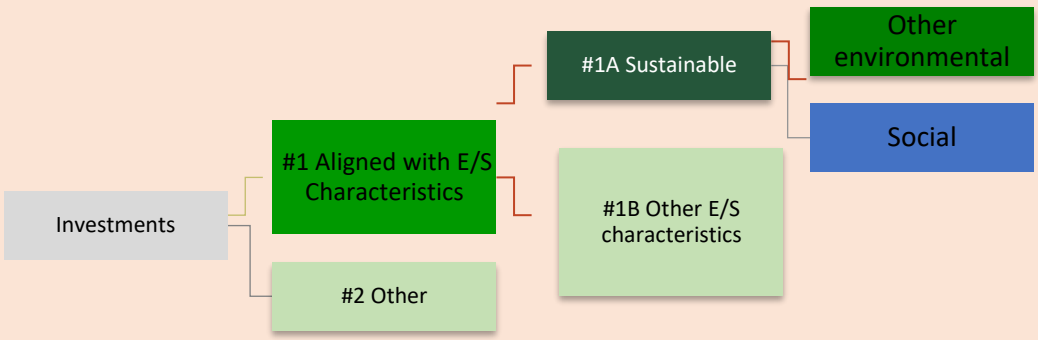
The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

It is expected that at least 80% of the Fund's assets will be invested in securities within the Benchmark Index. As such, at each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (this includes 40% of the Fund's assets that are qualified as sustainable investments) (as determined at that rebalance).

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index. Where any investment ceases to qualify as a sustainable investment between index rebalances, the Fund's holdings in sustainable investments may fall below the minimum proportion of sustainable investments.

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?**

☐Yes:

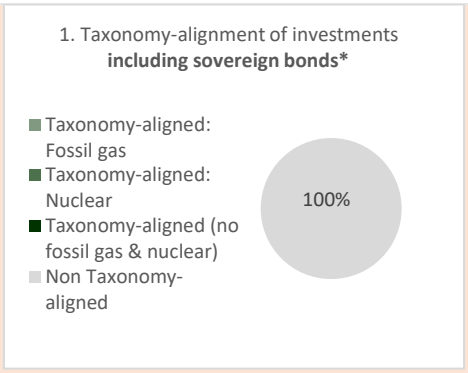
☐ In fossil gas ☐ In nuclear energy

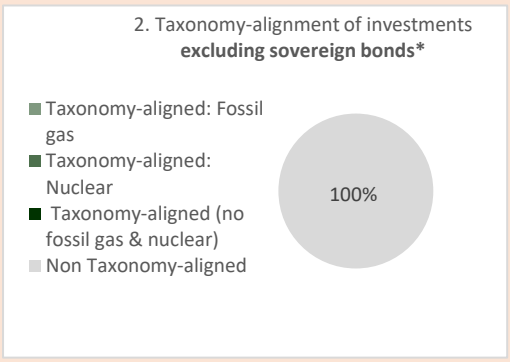
☒ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

***The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.




** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 40% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What is the minimum share of socially sustainable investments?**

A minimum of 40% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Yes, the Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the MSCI EMU Climate Paris Aligned Benchmark Select PAB Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

- ***How does the designated index differ from a relevant broad market index?***

The Benchmark Index has been labelled by the index provider as an EU Paris-aligned (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation. The Benchmark Index selects, weights and, where applicable, excludes issuers from the Parent Index to align with the climate commitments laid down in the Paris Agreement.

The ESG selection criteria that is applied by the index provider is set out above (see What environmental and/or social characteristics are promoted by this financial product?).

- ***Where can the methodology used for the calculation of the designated index be found?***

The methodology of the Fund's Benchmark Index can be found on the index provider's website at: https://www.msci.com/indexes/ishares.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

For further details specific to the Fund, please refer to the sections of this prospectus entitled Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: www.iShares.com.

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name: iShares MSCI USA Small Cap CTB Enhanced ESG UCITS ETF**

**Legal entity identifier: 5493007M90335V57KF91**

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| ☐ Yes | ☒ No |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective:** ___% | ☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ___% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**What environmental and/or social characteristics are promoted by this financial product?**

The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the MSCI USA Small Cap ESG Enhanced CTB Index, its Benchmark Index:

1. exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes;
2. exclusion of issuers deemed to have violated United Nations Global Compact principles;
3. exclusion of issuers deemed to be involved in very severe ESG related controversies or severe environmental controversies;
4. exposure to issuers with a better ESG score relative to the MSCI USA Small Cap Index (Parent Index);
5. exposure to issuers which have been selected and weighted in accordance with the minimum standards of a climate transition benchmark as based on the climate commitments laid down in the Paris Agreement; and
6. exposure to investments qualifying as sustainable investments.

These environmental and social characteristics are incorporated through the selection of constituents in the Fund's Benchmark Index at each index rebalance (as described below).

The Benchmark Index has been labelled by the index provider as an EU Climate Transition benchmark ('CTB') (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation in respect of the criteria for the selection, weighting and, where applicable, exclusion of the underlying assets, to align with the climate commitments laid down in the Paris Agreement.

The Benchmark Index has been labelled by the index provider as an EU Climate Transition Benchmark and does not aim to meet the minimum standards for EU Paris-Aligned Benchmarks (as set out in the Commission Delegated Regulation (EU) 2020/1818). Both EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks are subject to minimum standards that are based on the commitments laid down in the Paris Agreement. While EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks pursue similar objectives and minimum standards that are common to both benchmarks, they vary in their level of ambition. As such, the Benchmark Index does not incorporate any thresholds or exclusionary criteria to meet any minimum standards applicable only to EU Paris-Aligned benchmarks.

The Benchmark Index excludes issuers that are involved in the following business lines/activities (or related activities):

- controversial weapons;
- nuclear weapons;
- production of civilian firearms (relating to automatic and semi-automatic civilian firearms and small arms ammunition);
- distribution of civilian firearms or small arms ammunition;
- tobacco;
- thermal coal; and
- unconventional oil and gas.

The index provider defines what constitutes "involvement" in each restricted activity, this may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received. Issuers that are classified as violating United Nations Global Compact principles (which are widely accepted corporate sustainability principles that meet fundamental responsibilities in areas such as anti-corruption, human rights, labour and environment) are also excluded.

The Benchmark Index also excludes issuers with a 'red' MSCI ESG controversy flag or an 'orange' environmental controversy flag (based on an MSCI ESG controversy score or an MSCI environmental controversy score, as appropriate). An MSCI ESG controversy score measures an issuer's involvement (or alleged involvement) in serious controversies based on an assessment of an issuer's operations, products and/or services which are deemed to have a negative ESG impact. An MSCI ESG or environmental controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI ESG controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

Companies are also rated by the index provider based on their ability to manage their ESG risks and opportunities and are given an MSCI ESG rating. An MSCI ESG rating is designed to measure an issuer's resilience to long-term industry material ESG risks and how well it manages ESG risks and opportunities relative to industry peers. The index provider may consider the following environmental themes when determining an issuer's ESG score as part of the ESG rating methodology: climate change mitigation based on greenhouse gas emissions, waste and other emissions, land use and biodiversity. The index provider may also consider the following social themes when determining an issuer's ESG score as part of the ESG rating methodology:

| | | |
|---|---|---|
| | | access to basic services, community relations, data privacy and security, human capital, health and safety and product governance. The MSCI ESG rating methodology recognises that certain environmental and social issues are more material based on the type of activity that the issuer is involved in by weighting the issues differently in the scoring methodology. Those issuers with higher MSCI ESG scores are determined by the index provider to be those issuers that may be better positioned to manage future ESG-related challenges and risks compared to their industry peers.<br><br>Issuers that have not been assessed or rated by the index provider for an MSCI ESG or environmental controversy score, an MSCI ESG rating or ESG score are excluded from the Benchmark Index.<br><br>Following the application of the above exclusionary criteria, the constituents of the Benchmark Index are selected and weighted using the index provider's optimisation process at each index rebalance which seeks to:<br>• reduce the weighted average greenhouse gas (GHG) intensity (Scope 1+2+3 emissions ) by 30% compared to the Parent Index;<br>• reduce the weighted average GHG intensity (Scope 1+2+3 emissions) by 7% on an annual basis;<br>• optimise exposure to sectors with a high impact on climate change that is at least equivalent to the Parent Index; and<br>• achieve a better ESG score compared with the Parent Index.<br><br>In addition, companies which have been identified as having a 'red' MSCI ESG controversy flag, or which have been classified as violating United Nations Global Compact principles, or that are involved in activities related to controversial weapons or tobacco production, may also be removed from the Benchmark Index in between index rebalances in accordance with the index methodology.<br><br>For more information on where details of the methodology of the Benchmark Index can be found please see Where can the methodology used for the calculation of the designated index be found? (below). |
| **Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained. | | ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*** |
| | | The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:<br><br>1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>2. The exclusion of companies classified as violating United Nations Global Compact principles as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>3. The exclusion of companies identified as being involved in ESG related controversies as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>4. The exposure to sectors with a high impact on climate change as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>5. The GHG intensity relative to the Parent Index as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br><br>6. The decarbonisation rate of GHG intensity per year as described above (see What environmental and/or social characteristics are promoted by this financial product?). |

7. The ESG score versus the Parent Index (expected to be better than the Parent Index) as described above (see What environmental and/or social characteristics are promoted by this financial product?).

8. The Fund's investments qualifying as sustainable investments as described below (see What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?).

9. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

Where a constituent is removed from the Benchmark Index in between index rebalances, the Fund's portfolio will be re-aligned thereafter as soon as possible and practicable (in the Investment Manager's view) to align with the Benchmark Index.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

By investing in a portfolio of equity securities that, as far as possible and practicable, consists of the component securities of the Fund's Benchmark Index, a proportion of the Fund's investments will be in activities deemed to contribute to positive environmental and/or social impacts or in companies which have committed to science-based carbon reduction targets (as described below).

The index provider seeks to allocate a proportion of the Benchmark Index to companies that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The Benchmark Index uses the MSCI ESG Sustainable Impact Metrics which aim to measure revenue exposure to positive sustainable impacts in line with the United Nations' Sustainable Development Goals, the European Union Taxonomy and other sustainability-related frameworks. The MSCI ESG Sustainable Impact Metrics consider positive environmental impacts in relation to themes such as climate change and natural capital and seek to identify those companies that may derive revenues from activities (or related activities) such as alternative energy, energy efficiency and green building, sustainable water, pollution prevention and control and sustainable agriculture. The MSCI ESG Sustainable Impact Metrics also consider positive societal impacts in relation to themes such as basic needs and empowerment and seek to identify those companies that may derive revenues from activities (or related activities) such as nutrition, major disease treatments, sanitation, affordable real estate, small and medium enterprises (SME) finance, education and connectivity.

The environmental and social themes together with the revenue alignment thresholds are determined by the index provider and are applied at each index rebalance of the Benchmark Index.

The Benchmark Index also seeks to identify constituents with a commitment to one or more active carbon emissions reduction target(s) approved by the SBTi. The SBTi seeks to provide a clearly defined pathway for companies and financial institutions to reduce greenhouse gas

(GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

The sustainable investments within the Fund may contribute to either an environmental objective or a social objective or a combination of the two. The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the starting universe of the Benchmark Index.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

At each index rebalance, all investments qualifying as sustainable investments are screened by the index provider against certain minimum environmental and social indicators. As part of the screening criteria applied by the index provider, companies are assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where a company has been identified by the index provider as being involved in activities with highly negative environmental and social impacts, it shall not be eligible as a sustainable investment.

By tracking the Benchmark Index which incorporates these environmental and social related screens, the Investment Manager has determined that, at each index rebalance (or as soon as possible and practicable thereafter), the Fund's investments qualifying as sustainable investments, will not cause significant harm to any environmental or social sustainable objective within the meaning of applicable law and regulation.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the screening criteria applied by the index provider in the selection of index constituents qualifying as sustainable investments.

As a result of the screening criteria applied by the index provider, the following investments within the Benchmark Index shall not qualify as sustainable investments: (1) companies deriving a minimum % revenue from thermal coal (as determined by the index provider) which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions), (2) companies with an 'orange' MSCI ESG controversy flag that have been deemed to be involved in severe or very severe ESG related controversies (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) companies with an MSCI ESG rating of B or below, which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).

The Benchmark Index also excludes: (1) companies with a 'red' MSCI ESG controversy flag which includes companies determined to be in violation of international and/or national standards (taking into account indicators concerning violations of United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises), and (2) companies determined to have any tie to controversial weapons (taking into account indicators concerning ties to controversial weapons).

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund's Benchmark Index excludes issuers with a 'red' ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

The Benchmark Index applies the above exclusionary criteria at each index rebalance.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒Yes

☐No

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as 'X' in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund's annual report will include information on the principal adverse impacts on sustainability factors set out below.

| | PAI Description | Benchmark Index Selection Criteria | | | | |
|---|---|---|---|---|---|---|
| | | **Minimum% reduction of carbon emission intensity** | **Exclusion of issuers deriving% revenue from thermal coal and unconventional oil and gas** | **Exclusion of issuers based on an MSCI ESG Controversy Score** | **Exclusion of issuers classified as violating United Nations Global Compact principles** | **Exclusion of issuers determined to have any tie to controversial weapons** |
| Greenhouse Gas (GHG) emissions | 1.(a) GHG emissions (Scope 1/2) | X | | | | |
| | 1.(b) GHG emissions (Scope 3) | X | | | | |
| | 2. Carbon footprint | X | | | | |
| | 3. GHG intensity | X | | | | |
| | 4. % in Fossil Fuels | | X | | | |
| | 5. Non-Renewable / Renewable % | | | | | |
| | 6. High impact sector energy consumption | | | | | |
| Biodiversity | 7. Negative impact to Biodiversity sensitive areas | | | X | | |
| Water | 8. Emissions to Water | | | X | | |

| | | | | | | |
|---|---|---|---|---|---|---|
| Waste | 9. Hazardous Waste | | | X | | |
| Social and employee matters | 10. UNGC + OECD Violations | | | X | X | |
| | 11. UNGC + OECD Process, Monitoring | | | | | |
| | 12. Unadjusted gender pay gap | | | | | |
| | 13. Board gender diversity | | | | | |
| | 14. Controversial weapons | | | | | X |

## What investment strategy does this financial product follow?

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance

The investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Fund does so, its investment strategy is to invest only in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Fund may hold such securities only until the next portfolio rebalance and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.

Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements of the investment strategy are that the Fund will invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.

As the Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

***What is the policy to assess good governance practices of the investee companies?***

Good governance checks are incorporated within the methodology of the Benchmark Index.

The index provider excludes companies from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) and excludes companies that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above).

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the

The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

It is expected that at least 80% of the Fund's assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance, the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (this includes 10% of the Fund's assets that are qualified as sustainable investments) (as determined at that rebalance).

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or otherwise cease to meet the ESG selection

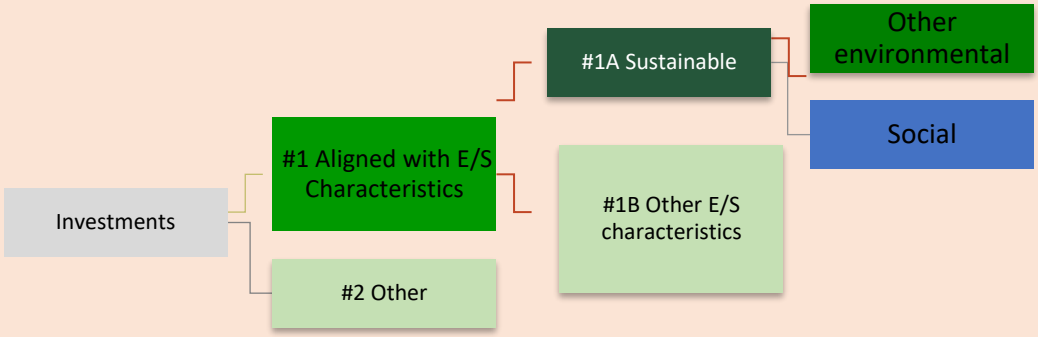
green investments made by investee companies, e.g. for a transition to a green economy.

– **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

criteria of the Benchmark Index) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index. Where any investment ceases to qualify as a sustainable investment between index rebalances, the Fund's holdings in sustainable investments may fall below the minimum proportion of sustainable investments.

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2 Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

– The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[2]?**

☐Yes:

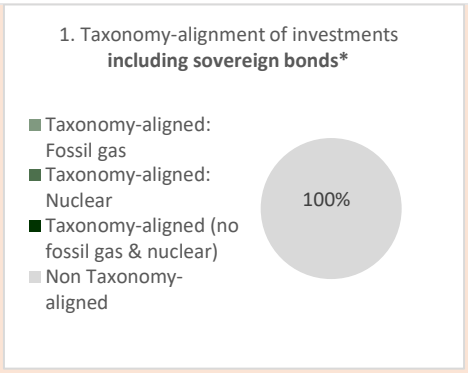
☐ In fossil gas ☐ In nuclear energy

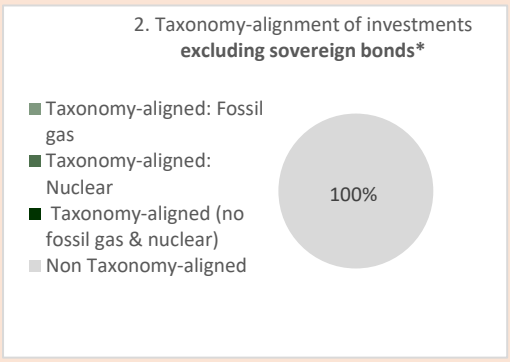
☒ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

***The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

[2] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.




** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***What is the minimum share of investments in transitional and enabling activities?***

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 10% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or asocial objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What is the minimum share of socially sustainable investments?**

A minimum of 10%of the Fund's assets will be invested in sustainable investments.

These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Yes, this Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the MSCI USA Small Cap ESG Enhanced CTB Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

- ***How does the designated index differ from a relevant broad market index?***

The Benchmark Index has been labelled by the index provider as an EU Climate Transition (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation. The Benchmark Index selects, weights and, where applicable, excludes issuers from the Parent Index to align with the climate commitments laid down in the Paris Agreement.

The ESG selection criteria that is applied by the index provider is set out above (see What environmental and/or social characteristics are promoted by this financial product?).

- ***Where can the methodology used for the calculation of the designated index be found?***

The methodology of the Fund's Benchmark Index can be found on the index provider's website at: https://www.msci.com/indexes/ishares.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

| | | |
|---|---|---|
| | | For further details specific to this Fund, please refer to the sections of this prospectus entitled Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: www.iShares.com. |

**Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852**

**Product name: iShares S&P 500 Paris-Aligned Climate UCITS ETF**

**Legal entity identifier: 5493001V8UB7HN55I374**

## Environmental and/or social characteristics

**Does this financial product have a sustainable investment objective?**

| ☐ Yes | ☒ No |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective:** ___% | ☒ It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 15% of sustainable investments |
| ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy | ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy |
| ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy |
| | ☒ with a social objective |
| ☐ It will make a minimum of **sustainable investments with a social objective**: ___% | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**What environmental and/or social characteristics are promoted by this financial product?**

The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the S&P 500 Net Zero 2050 PAB Sustainability Screened Index, its Benchmark Index:

1. exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes.
2. exclusion of issuers deemed to have violated or are at risk of violating commonly accepted international norms and standards;
3. exposure to issuers which have been selected and weighted to align with the climate commitments laid down in the Paris Agreement; and
4. exposure to investments qualifying as sustainable investments.

These environmental and social characteristics are incorporated through the selection of constituents in the Fund's Benchmark Index at each index rebalance (as described below).

The Benchmark Index has been labelled by the index provider as an EU Paris-aligned Benchmark ("PAB") (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks

Regulation in respect of the criteria for the selection, weighting and, where applicable, exclusion of the underlying assets, to align with the climate commitments laid down in the Paris Agreement.

The Benchmark Index excludes issuers from the S&P 500 Index (the "Parent Index") based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- controversial weapons
- small arms
- military contracting
- tobacco
- oil sands
- shale energy
- fossil fuel operations and power generation (including coal exploration or processing, oil exploration or processing, natural gas exploration or processing and power generation relating to coal, petroleum, natural gas and biomass power generation)

The index provider defines what constitutes "involvement" in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers from the Parent Index which are classified as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and their underlying conventions.

Following the application of the above exclusionary criteria, the constituents of the Benchmark Index are selected and weighted using the index provider's optimisation process at each index rebalance which seeks to:

- reduce the weighted average greenhouse gas (GHG) intensity (Scope 1+2+3) by 50% compared to the Parent Index;
- reduce the weighted average GHG intensity (Scope 1+2+3) by 7% on an annual basis;
- target an exposure to sectors with a high impact on climate change that is at least equivalent to the Parent Index (to align with the objective of a PAB to include exposure to sectors that have a need to actively reduce GHG emissions);
- target a minimum increase in the S&P DJI ESG score relative to the Parent Index; and
- manage and increase exposure to potential climate change opportunities through controlled and higher green-to-brown revenue share relative to the Parent Index.

For more information on where details of the methodology of the Benchmark Index can be found please see Where can the methodology used for the calculation of the designated index be found? (below).

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| **Sustainability indicators** measure how the environmental or social | ○ | ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?*** |

| | | |
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| characteristics promoted by the financial product are attained. | | The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:<br><br>1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>2. The exclusion of issuers deemed to have violated commonly accepted international norms and standards as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>3. The green-to-brown revenue share relative to the Parent Index (see What environmental and/or social characteristics are promoted by this financial product?).<br>4. The S&P DJI ESG score relative to the Parent Index (see What environmental and/or social characteristics are promoted by this financial product?).<br>5. The exposure to sectors with a high impact on climate change as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>6. The GHG intensity relative to the Parent Index as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>7. The decarbonisation rate of GHG intensity per year as described above (see What environmental and/or social characteristics are promoted by this financial product?).<br>8. The Fund's investments qualifying as sustainable investments as described below (see What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?).<br>9. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).<br><br>The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index. |

| | | |
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| | | ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?*** |
| | | The Fund's investments qualifying as sustainable investments will be either in:<br><br>(1) activities deemed to contribute to positive environmental and/or social impacts, or<br><br>(2) companies which have committed to one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).<br><br>The Fund's investments will be assessed against their revenue exposure to positive sustainable impacts in line with the United Nations' Sustainable Development Goals, the European Union Taxonomy and other sustainability-related frameworks. The positive environmental impacts considered as part of this assessment may relate to themes such as climate change and natural capital and identify companies that may derive revenues from activities (or related activities) such as alternative energy, energy efficiency and green building, sustainable water, pollution prevention and control and sustainable agriculture. The positive societal impacts considered as part of this assessment may relate to themes such as basic needs and empowerment and identify companies that may derive revenues from activities (or related activities) such as nutrition, major disease treatments, sanitation, affordable real estate, small and medium enterprise (SME) finance, education and connectivity. |

The Fund's investments will also be assessed on their commitment to one or more active carbon emissions reduction target(s) approved by the SBTi. The SBTi seeks to provide a clearly defined pathway for companies and financial institutions to reduce greenhouse gas (GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

The sustainable investments within the Fund may contribute to either an environmental objective or a social objective or a combination of the two. The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

At each index rebalance, all investments qualifying as sustainable investments are assessed against certain minimum environmental and social indicators. As part of the assessment, companies are assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where a company has been identified as being involved in activities with highly negative environmental and social impacts, it shall not be eligible as a sustainable investment.

*How have the indicators for adverse impacts on sustainability factors been taken into account?*

The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the assessment of the Fund 's investments qualifying as sustainable investments.

Following this assessment, the following investments shall not qualify as sustainable investments: (1) companies deemed to be deriving at least 1% of its revenue from thermal coal which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions) (2) companies that have been deemed to be involved in severe ESG related controversies (taking into account indicators relating to greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) companies which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (taking into account indicators relating to greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).

The Benchmark Index also excludes: (1) companies which are classified as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions and (2) companies determined to have any tie to controversial weapons (taking into account indicators concerning ties to controversial weapons).

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The Fund's Benchmark Index excludes issuers which are classified as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles, the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs) and their underlying conventions. The Benchmark Index applies the above exclusionary criteria at each index rebalance.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

*The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.*

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

**Does this financial product consider principal adverse impacts on sustainability factors?**

☒Yes

☐No

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as "X" in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund 's annual report will include information on the principal adverse impacts on sustainability factors set out below.

| | **PAI Description** | | | | | | |
|---|---|---|---|---|---|---|---|
| | | **Minimum% reduction of weight-average carbon intensity** | **Exclusion of issuers based on certain environmental screens (listed above)** | **Exclusion of issuers deemed to be involved in serious ESG related controversies** | **Exclusion of issuers classified as violating United Nations Global Compact principles** | **Exclusion of issuers determined to have any tie to controversial weapons** | **Green to brown revenue share** |
| Greenhouse Gas (GHG) emissions | 1.(a) GHG emissions (Scope 1/2) | X | | | | | |
| | 1.(b) GHG emissions (Scope 3) | X | | | | | |
| | 2. Carbon footprint | X | | | | | |
| | 3. GHG intensity | X | | | | | |
| | 4. % in Fossil Fuels | | X | | | | |
| | 5. Non-Renewable / Renewable % | | | | | | X |

| | | | | | | | |
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| | 6. High impact sector energy consumption | | | | | | |
| Biodiversity | 7. Negative impact to Biodiversity sensitive areas | | | X | | | |
| Water | 8. Emissions to Water | | | X | | | |
| Waste | 9. Hazardous Waste | | | X | | | |
| Social and employee matters | 10. UNGC + OECD Violations | | | | X | | |
| | 11. UNGC + OECD Process, Monitoring | | | | | | |
| | 12. Unadjusted gender pay gap | | | | | | |
| | 13. Board gender diversity | | | | | | |
| | 14. Controversial weapons | | | | | X | |

**What investment strategy does this financial product follow?**

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance

The investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

The Fund seeks to replicate the constituents of the Benchmark Index by holding all of the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index where possible and practicable.

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.

Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements of the investment strategy are that the Fund will invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of its Benchmark Index.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant

securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

**Good governance** practices include sound management structures, employee relations, remuneration of staff and tax compliance.

***What is the policy to assess good governance practices of the investee companies?***

Good governance checks are incorporated within the methodology of the Benchmark Index.

The index provider applies a daily filtering, screening and analysis of controversies related to companies within the index. Controversies which may be considered by the index provider include economic crime and corruption, fraud, illegal commercial practices, human rights issues, labour disputes, workplace safety, catastrophic accidents and environmental disasters. Companies may be removed from the Benchmark Index based on an assessment by the index provider of their involvement in serious ESG related controversies. The Benchmark Index also excludes companies that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above).

**What is the asset allocation planned for this financial product?**

**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments

The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

It is expected that at least 80% of the Fund's assets will be invested in securities within the Benchmark Index. As such, at each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund 's assets will be aligned with the ESG characteristics of the Benchmark Index (this includes 15% of the Fund's assets that are qualified as sustainable investments) (as determined at that rebalance).

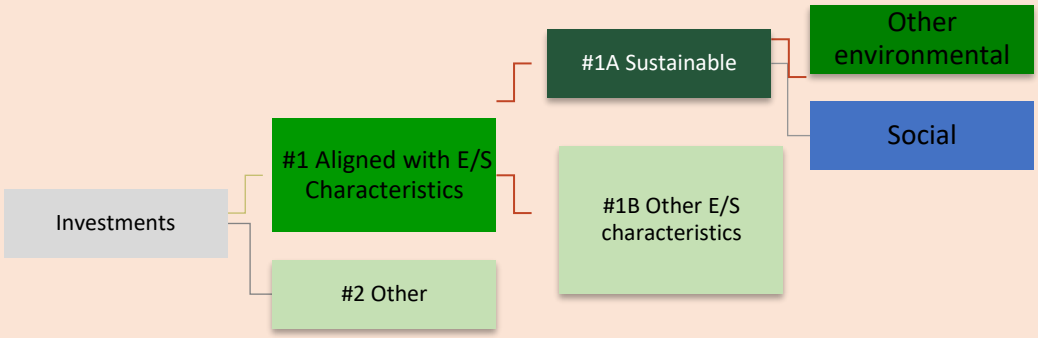
In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

made by investee companies, e.g. for a transition to a green economy.

– **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index. Where any investment ceases to qualify as a sustainable investment between index rebalances, the Fund's holdings in sustainable investments may fall below the minimum proportion of sustainable investments.

The Fund may invest up to 20% of its total assets in other investments ("#2 Other").




**#1 Aligned with E/S characteristics** includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

**#2Other** includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

– The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
– The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

**Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[3]?**

☐Yes:

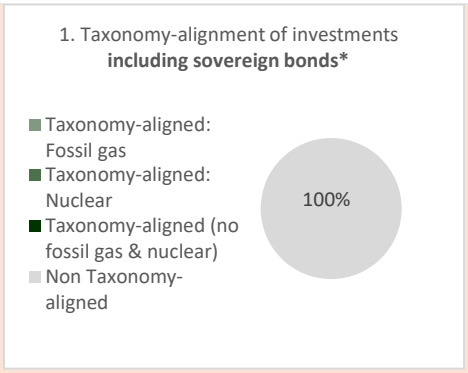
☐ In fossil gas ☐ In nuclear energy

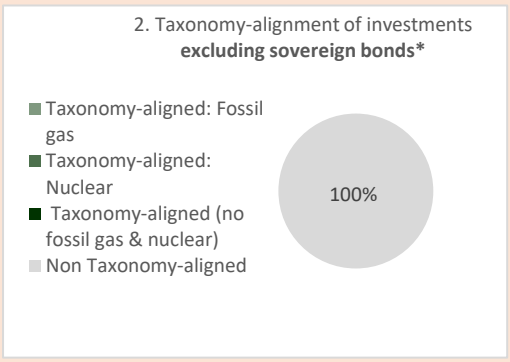
☒ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

***The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.***

[3] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.




** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

***What is the minimum share of investments in transitional and enabling activities?***

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU Taxonomy.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 15% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What is the minimum share of socially sustainable investments?**

A minimum of 15% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the companies within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Yes, this Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the S&P 500 Net Zero 2050 PAB Sustainability Screened Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

- ***How does the designated index differ from a relevant broad market index?***

The Benchmark Index has been labelled by the index provider as an EU Paris-aligned (within the meaning of the Benchmarks Regulation) and therefore has to be constructed in accordance with the minimum standards prescribed by the Benchmarks Regulation. The Benchmark Index selects, weights and, where applicable, excludes issuers from the Parent Index to align with the climate commitments laid down in the Paris Agreement.

The ESG selection criteria that is applied by the index provider is set out above (see What environmental and/or social characteristics are promoted by this financial product?).

- ***Where can the methodology used for the calculation of the designated index be found?***

The methodology of the Fund's Benchmark Index can be found on the index provider's website at: https://www.spglobal.com/spdji/en/indices/esg/sp-500-net-zero-2050-paris-aligned-sustainability-screened-index/#overview

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

For further details specific to this Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for

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| | | the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: www.iShares.com. |

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