BlackRock
貝萊德

11 NOVEMBER 2026

# Prospectus

## BlackRock Global Funds

BlackRock

Registered Office:
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L-2453 Luxembourg
Grand Duchy of Luxembourg
*Société anonyme*
R.C.S. Luxembourg B6317

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# BlackRock Global Funds

11 May 2026

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. After careful consideration, the board of directors (together the "**Board**" or the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you of changes that will be made to certain sub-funds of the Company (the "**Funds**").

Terms not defined herein shall have the same meaning as set out in the Prospectus currently in force (available at www.blackrock.com/hk[1]) (the "**Prospectus**").

***Presentation of the changes***
Pursuant to article 28 of the Company's articles of association (the "**Articles**"), the Board has decided to undertake a merger by absorption of BlackRock Global Funds – Asian Growth Leaders Fund, a sub-fund of the Company, (the "**Merging Fund**") into the BlackRock Global Funds – Asian Dragon Fund (the "**Receiving Fund**") in compliance with article 1(20)(a) of the law of 17 December 2010 on undertakings for collective investment, as amended (the "**2010 Law**") (the "**Merger**"). Both the Merging Fund and the Receiving Fund are authorised by the Securities and Futures Commission (the "**SFC**") in Hong Kong[2].

The Merger shall become effective on 10 July 2026 (the "**Effective Date**").

This notice describes the implications of the contemplated Merger. Please contact your financial advisor or Hong Kong Representative if you have any questions on the content of this letter. The Merger may impact your tax situation. Shareholders should contact their tax advisor for specific tax advice in relation to the Merger.

**Background and rationale of the Merger**
The proposed Merger into the Receiving Fund represents a strategic consolidation designed to enhance investors outcomes and operational efficiency. Over time, the portfolio holdings and risk profiles of the Merging Fund and Receiving Fund have converged, creating natural synergies that support this combination. The Receiving Fund is a style-flexible Asian ex-Japan equity-focused Fund that, in the opinion of the Investment Adviser, is better positioned to deliver long-term performance by capturing alpha opportunities across varying market environments.

As at 29 April 2026, the fund size of the Merging Fund is USD 534,102,165 and the Receiving Fund is USD 846,350,186. The Receiving Fund will benefit from enhanced scale, improved investor visibility, and greater potential for sales momentum.

Operationally, the Merger will enable the Investment Adviser to allocate resources more efficiently, allowing concentration of efforts on the Receiving Fund, whilst enabling research analysts to focus on alpha generation and idea development.

The Asian Dragon Fund's track record will be preserved, ensuring continuity for existing investors whilst providing investors in the Merging Fund, as well as new investors, with access to a more robust and strategically focused investment proposition.

1 Investors should note that the website has not been authorised or reviewed by the SFC.
2 SFC authorization is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of the fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

Considering the above, the Board therefore believes that it is in the interest of Shareholders to merge the Merging Fund into the Receiving Fund.

***Comparison of the key features of the Merging Fund and the Receiving Fund***

This section compares the key features of the Merging Fund to that of the Receiving Fund and highlights material differences, if any.

Shareholders of the Merging Fund are advised to read the Receiving Fund's product key facts statement ("**KFS**") and the relevant supplement in the Prospectus for a full description of the Receiving Fund's investment objective and policy (available at https://www.blackrock.com/hk[1]). Please also refer to Appendix I and Appendix II to this letter for further details.

The investment policies of both Funds are closely aligned, with comparable geographic exposures, sector allocations, and investment approaches. As such, the Merger is not expected to materially alter the overall risk-return profile for Shareholders. The Receiving Fund will continue to be managed according to its current investment objective and policy after the Merger.

The main differences relate to the Merging Fund's explicit emphasis on growth-oriented companies and its ability to directly invest via the QFI regime and/or via the Stock Connect up to 30% of assets in the People's Republic of China, compared with a 20% limit in the Receiving Fund. The expected portion of NAV subject to securities lending is 7% for the Merging Fund and 11% for the Receiving Fund. These variations are not expected to significantly impact Shareholders, as both strategies remain actively managed against the same benchmark, within the same regional scope, and with similar flexibility to capture opportunities across Asia ex-Japan equities.

The base currency of both the Merging Fund and the Receiving Fund is USD.

The risk profiles of the Merging Fund and the Receiving Fund are comparable as the key risks applicable to the Merging Fund and the Receiving Fund as set out in the KFS of the Funds are the same.

*Classes of Shares*

You may refer to the below table of Classes of the Merging Fund and the Receiving Fund together with the detailed features of each corresponding Classes that are in scope of the Merger as set forth in Appendix I. The corresponding shares in the Receiving Fund will have the same attributes (including the level of fees, denominated currency and dividend policy) as the shares in the Merging Fund.

| | **Merging Fund** | | **Receiving Fund** | |
|---|---|---|---|---|
| | Class A | Class D | Class A | Class D |
| **Initial charge** | 5.00% | 5.00% | 5.00% | 5.00% |
| **Management Fee** | 1.50% | 0.75% | 1.50% | 0.75% |
| **Distribution Fee** | 0.00% | 0.00% | 0.00% | 0.00% |
| **CDSC** | 0.00% | 0.00% | 0.00% | 0.00% |

***Timeline of the Merger***

The Merger will follow the below key steps (as further detailed in this notice):

| | |
|---|---|
| **Notice sent to Shareholders** | 11 May 2026 |
| **Preparation Period** | 22 June 2026 to 10 July 2026 |
| **Cut-off Point (i.e. Deadline for Shareholders to redeem or convert Shares in the Merging Fund and Receiving Fund before the Effective Date)** | 6 July 2026 |
| **Freeze Period** | 7 July 2026 to 10 July 2026 |
| **Calculation of the share exchange ratios** | 10 July 2026 |
| **Effective Date of the Merger** | 10 July 2026 |
| **Implementation Period** | Around 10 calendar days from the Effective Date |

***Procedural aspects and other key features of the Merger***

*Consequences of the Merger*
The Merger shall become effective between the Receiving Fund and the Merging Fund and vis-à-vis third parties on the Effective Date, at which time all assets and liabilities of the Merging Fund will be transferred to the Receiving Fund. The Merging Fund will cease to exist as a result of the Merger and thereby will be dissolved without going into liquidation on the Effective Date. BlackRock will apply to the SFC for the withdrawal of authorisation of the Merging Fund around the Effective Date once the Merging Fund is confirmed to have no remaining assets and liabilities and there are no investors in the Merging Fund. For the avoidance of doubt, any accrued income and liabilities in the Merging Fund will be determined and valued as part of the net asset value calculation and transferred to the Receiving Fund on the Effective Date.

Shareholders holding shares of the Merging Fund on the Effective Date will automatically receive shares of the corresponding Class of Shares in the Receiving Fund ("**New Shares**"), and participate in the results of the Receiving Fund as from such date. The number of New Shares to be allocated to Shareholders of the Merging Fund will be determined by multiplying the number of Shares held in the relevant class of the Merging Fund by the relevant share exchange ratio. The share exchange ratios in respect of the relevant share class of the Merging Fund will be determined, on a per share class basis, by dividing the net asset value per Share calculated as of the Effective Date by the net asset value per Share of the corresponding Share class, expressed in USD, in the Receiving Share Classes as at same date. Shareholders will receive a confirmation note of their holding in the Receiving Fund as soon as practicable after the Effective Date.

While the overall value of the Shareholders' holdings will remain the same, Shareholders may receive a different number of shares in the Receiving Fund than they had previously held in the Merging Fund. In case the application of the relevant share exchange ratios does not lead to the issuance of full Shares, the Shareholders of the Merging Fund will receive fractions of Shares within the Receiving Fund.

For the purpose of calculating the relevant share exchange ratios, the rules laid down in the article 23 of the Articles and Appendix B of the Prospectus of the Company for the calculation of the net asset value will apply to determine the value of the assets and liabilities of the Merging Fund.

Should there be any significant redemption from the Merging Fund prior to the Merger, the Management Company may, with due care, skill and diligence, and in consultation with the Depositary, apply any liquidity risk management tools specified under Appendix A and Appendix B of the Prospectus.

*Approval of the Merger*

As per article 28 of the Articles, and in light of article 66(4) of the 2010 Law, no general meeting of Shareholders shall be convened to approve the Merger, and so Shareholders are not required to vote on the Merger.

Shareholders of the Receiving Fund and of the Merging Fund who do not agree with the Merger have the right to request, on or prior to the Cut-Off Point (i.e. 6 July 2026) , the redemption of their Shares, without redemption charges, as detailed in Section "*Action to be taken by you*" below.

*Merger preparation*
Shareholders' attention is drawn to the fact that as from six (6) weeks following the date of this notice and until the Effective Date (the "**Preparation Period**") (i.e. 22 June 2026 to 10 July 2026), the Investment Adviser will begin managing the portfolio of the Merging Fund in preparation for the Merger.

For the purpose of the Merger, certain assets held by the Merging Fund may not be transferred in kind to the Receiving Fund due to market or regulatory limitations, such as contract for differences, total return swap, and investment in the Stock Connects, India and Taiwan. In such circumstances, the Investment Adviser will, acting in the best interests of shareholders, either (i) dispose of such assets and hold the resulting cash until it is transferred to the Receiving Fund on the Effective Date, or (ii) dispose of such assets and reinvest the proceeds in transferable equity securities that are eligible to be transferred to the Receiving Fund on the Effective Date.

As a result of these portfolio adjustments, and notwithstanding that the Investment Adviser will seek, where possible and subject to the market conditions, to manage the portfolio in an orderly manner, the Merging Fund may temporarily deviate from its investment objective and policy and may not comply with the applicable diversification limits during the Preparation Period.

For the avoidance of doubt, shareholders of the Merging Fund who (i) redeem after the start of the preparation period (i.e. 22 June 2026) (on or prior to the Cut-Off Point) or (ii) remain in the Merging Fund after the Cut-Off Point will bear their pro-rata share of the transaction costs related to the realization/adjustment of the portfolio prior to the Effective Date, which is expected to be around USD 3 million (approximately 0.56% of the net asset value of the Merging Fund).

***Dealings suspension***
With effect from the date of this letter, the Merging Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors. Existing Shareholders of the Merging Fund may request for subscriptions for additional Shares or conversions into Shares of other classes within the Merging Fund before Cut-Off Point.

In accordance with article 22 of the Articles and in order to implement the procedures needed for the Merger in an orderly and timely manner, the Board has decided that the subscriptions (including subscriptions from existing regular saver shareholders), redemptions and conversions of Shares of the Merging Fund and the Receiving Fund will no longer be accepted or processed during four (4) Business Days as from the Cut-Off Point (as set out in section "Timeline of the Merger" above) (the "**Freeze Period**"). Please note that, for applications sent through a Hong Kong distributor, such distributor may have an earlier cut-off time.

After the Cut-Off Point, dealing in the Merging Fund will be suspended up to and including the Effective Date, on which date the Merging Fund will cease to exist as a result of the Merger as mentioned above. In the event that the suspension is required on another date and/or needs to be extended due to unforeseen circumstances, Shareholders will be informed accordingly. For the avoidance of doubt, the Receiving Fund will resume dealings after the Freeze Period.

The Depositary has been consulted, and does not have any objection to the proposed suspension and resumption of subscriptions, redemptions and conversions of Shares as set out in this section.

***Merger implementation***
From the Effective Date and for a short period thereafter (which is expected to be around 10 calendar days from the Effective Date) (the "**Implementation Period**"), the Receiving Fund will proceed, as soon as reasonably practicable, with the reinvestment of the cash (and/or the disposal of other liquid assets) transferred by the Merging Fund on the Effective Date. While the Investment Adviser will seek to implement the Receiving Fund's investment strategy promptly, it may be the case that, during this limited period, the Receiving Fund is temporarily unable to fully comply with the diversification limits and the investment objective and policy described in the Prospectus. Shareholders of the Receiving Fund, including shareholders of the Merging Fund transferred to the Receiving Fund on the Effective Date, will bear their pro-rata share of the transaction costs related to the reinvestment of the cash and/or the disposal of other liquid assets, which is expected to be around USD 1.73 million (approximately 0.20% of the net asset value of the Receiving Fund), once all assets have been transferred to the Receiving Fund.

***Action to be taken by you***
Shareholders of the Merging Fund and of the Receiving Fund are not required to take any action in relation to the changes described in this letter. The Merger will not impact the Shareholders of the Receiving Fund save as otherwise mentioned above. For Shareholders of the Merging Fund, if you do not take any action, your shares in the Merging Fund will be automatically exchanged for the corresponding shares of the Receiving Fund on the Effective Date. Please refer to the sub-section "*Consequences of the Merger*" above for details.

If, however, you do not agree with the Merger you may redeem or convert your Shares to another SFC-authorised[3] Fund of the Company free of any redemption or conversion charges for a period of eight (8) weeks following the date of this letter and at any time on or prior to the Cut-Off Point, in accordance with the provisions of the Prospectus. The Company may defer or reject redemptions in certain circumstances as may be required to comply with applicable law.

If you have any questions regarding the redemption or conversion process, please contact your local representative or the Company's Hong Kong Representative (see details below). Any redemption of your shares may affect your tax position and you should consult your own professional advisers as to the implications of disposing of shares under the laws of the jurisdictions in which you may be subject to tax.

Redemption proceeds will normally be paid to shareholders by the Company in the base currency of the Merging Fund or the relevant reference currency of the Fund or of the share class, in one or several instalments, within the applicable time limit as set forth in the Prospectus.

***Home regulators' approval***
The Commission de Surveillance du Secteur Financier (the "**CSSF**") confirmed on Tuesday 21 April 2026 that it had no objection to the Merger.

***Additional Information***
The Board will entrust Ernst & Young S.A., the authorised auditor of the Funds (the "**Auditor**"), to validate the calculation method of

[3] SFC authorization is not a recommendation or endorsement of the Company or its Funds nor does it guarantee the commercial merits of the Company or its Funds or their performance. It does not mean the Company or its Funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.



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the exchange ratios as well as the actual exchange ratios determined as at the date for calculating the exchange ratios. The Auditor will prepare reports on the Merger which shall include a validation of the following items:

- the criteria adopted for valuation of the assets and/or liabilities for the purposes of calculating the exchange ratios;
- the calculation method for determining the exchange ratios; and
- the final exchange ratios.

A copy of the Auditor's report on the Merger will be made available to Shareholders free of charge upon request as soon as practicable following the Effective Date of the Merger, in accordance with applicable regulations.

The following documents are available to the Shareholders at the office of the Hong Kong Representative at the address stated below upon request and free of charge as from the date of this notice:

(a) the terms of the merger prepared by the Board of Directors containing detailed information on the Merger, including the calculation method of the share exchange ratios (the "**Terms of the Merger**"); and

(b) a statement by the Fund's depositary confirming that they have verified compliance of the Terms of the Merger with the terms of the law of 17 December 2010 on undertakings for collective investment and the Articles.

***Costs of the Merger***
BlackRock will bear the legal, advisory and administrative costs and expenses associated with the preparation and completion of the Merger. The Merging Fund does not have any unamortised preliminary expenses as at the date of this letter.

As described in the "Merger preparation" section above, the Investment Adviser expects to begin managing the portfolio of assets of the Merging Fund during the Preparation Period, in preparation for their transfer into the Receiving Fund. This will result in transaction costs associated with the sale and/or purchase of securities and financial instruments which will be borne by the Merging Fund and will therefore impact its Shareholders.

BlackRock will bear the cost of any supplementary audit and legal expenses linked to the Merger as well as the costs of publication and dissemination of this notice.

Any other expenses resulting from the Merger ("**Expenses**"), including transaction costs, liquidation fees and trading costs associated with the sale of securities prior to the Effective Date as well as trading costs associated with the migration of assets into the Receiving Fund, will be borne by the Merging Fund, which is expected to be USD 3 million (approximately 0.56% of the net asset value of the Merging Fund as mentioned above). Following the Cut-off Point (i.e. 6 July 2026), the Company will make a provision for the custody transaction costs (estimated to be approximately USD 1,000 i.e. fees charged by the Company's Depositary in processing the transactions) which will be accrued in the Merging Fund's NAV after the Cut-Off Point to allocate to each Shareholder which remains in the Merging Fund after the Cut-Off Point its pro-rata share of such costs. Shareholders of the Merging Fund who do not wish to participate in the Merger and bear the Expenses may redeem their shares before the start of the Preparation Period as described above.

***Performance***
The Merger may result in a limited dilution of performance for Shareholders due to differences in portfolio composition.

***Taxation***
Shareholders should note that under current law and practice in Hong Kong, the Merger is not expected to have any Hong Kong profits tax implications to the Merging Fund or the Receiving Fund. Shareholders should note that if the Merger, for the purposes of Hong Kong regulation, results in a disposal of the Shares in the Merging Fund for tax purposes, any gains derived may be subject to tax. Generally, Shareholders will not be liable to Hong Kong profits tax on gains realized on the disposal of shares, except where the acquisition and disposal of shares are or form part of a trade, profession or business carried on in Hong Kong and such gains arise in or are derived from Hong Kong.

As the classification of a gain as revenue or capital will depend on the particular circumstances of the Shareholders, the Merger may have tax consequences for Shareholders. Shareholders should consult their professional advisers about the consequences of this Merger on their individual tax position.

***General Information***
The Prospectus, Information for Residents of Hong Kong and KFS of the relevant Funds will be updated to reflect the Merger as soon as possible. Updated versions of the Prospectus, Information for Residents of Hong Kong and KFS of the relevant Funds will be

available to download from our website (https://www.blackrock.com/hk[1]) and in hard copy format free of charge in due course upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below. Copies of the Company's Articles, annual and semi-annual reports are also available free of charge upon request from the Hong Kong Representative at the address stated below.

The Directors accept responsibility for the accuracy of the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully

**Benjamin Gregson**



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**APPENDIX I – Comparison of the principal features of the Funds**

Information that appears in a particular column is information that is particular to the Fund named at the top of that column. Information that crosses both columns is information that is the same for both the Merging Fund and Receiving Fund.

| Main Features | | |
|---|---|---|
| **Feature** | **Merging Fund (Asian Growth Leaders Fund)** | **Receiving Fund (Asian Dragon Fund)** |
| **Launch date** | 31/10/2012 | 02/01/1997 |
| **Base currency** | USD | |
| **Management Company** | BlackRock (Luxembourg) S.A. | |
| **Investment Manager** | BlackRock Investment Management (UK) Limited | |
| **Depositary** | The Bank of New York Mellon SA/NV, Luxembourg Branch | |
| **Valuation Frequency** | Daily | |
| **Subscription/ Redemption Date** | Daily | |
| **Dealing cut-off time** | Application, conversion and redemption instructions must be received by the Company's Hong Kong Representative or the Transfer Agent before 6.00 p.m. (Hong Kong time) on any business day in Hong Kong, unless specifically agreed otherwise with the Hong Kong Representative or the Transfer Agent, in order to be accepted by the Transfer Agent for that day's dealing (provided that it is also a bank business day in Luxembourg). | |
| **Settlement Date** | Within 3 business days | |
| **Dealing Days** | Any Business Day which is not a Non-Dealing Day. | |
| **SFDR Classification** | Article 6 | |
| **Investment Objective and Policy** | Please refer to Appendix II below. | Please refer to Appendix II below. |
| **Reference Index** | MSCI All Country Asia ex Japan Index<br><br>The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI All Country Asia ex Japan Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com[1]. | |
| **Typical Investor' Profile** | All investors | |
| **Global Exposure Calculation Method** | Commitment approach | |
| **Net Derivative Exposure** | up to 50% of the Fund's NAV | |
| **Key Risks** | ▸ Investment Risks<br>▸ Emerging Market Risks<br>▸ Equity Risk<br>▸ Currency Risks<br>▸ Derivative Risks<br>▸ Foreign Investment Restrictions Risks<br>▸ Geographical Concentration Risks<br>▸ Small Cap Companies Risks<br>▸ Liquidity Risks | |
| **Dividend Policy** | A2 and D2: No dividends will be declared or paid.<br><br>D3: Dividends, if declared will be paid in cash or reinvested. | |
| | Details of the dividends policy and the calculation of dividends are contained in the sections headed "Dividends" and "Calculation of Dividends" of the Prospectus. | |

| Fee Structure | | | |
|---|---|---|---|
| **Type** | **Class and fee rate (both Funds)** | **Merging Fund** | **Receiving Fund** |
| **Charges which may be payable by Shareholders** | | | |
| **Initial Charge** | A and D (up to 5% of the price of shares) | | |
| **Conversion Fee** | For holders of all Share Classes, there is normally no conversion charge by the Management Company, except a delayed Initial Charge of up to 5% of the price of Class A or Class D Shares may be payable upon switching newly acquired Shares in a Reserve Fund into the Funds.<br><br>However, conversion charges may apply in some circumstances – see paragraphs 20 to 22 of Appendix B of the Prospectus.<br><br>Conversions are permitted between different Share Classes of the same Fund or of different Funds authorized[2] by the SFC in Hong Kong, subject to the limitations set out under the section "Switching Between Funds and Share Classes" and provided investors and/or the holding (as appropriate) meet the specific eligibility criteria for each Share Class set out in the Prospectus (see "Classes and Form of Shares").<br><br>Selected distributors may impose a charge on each conversion of those Shares acquired through it, which will be deducted at the time of conversion and paid to the relevant distributor. While other conversions between the same Share Class of two Funds are normally free of charge, the Management Company may, at its discretion (and without prior notice), make an additional conversion charge which would increase the amount paid to up to up to a maximum of 2% if excessively frequent conversions are made. Any such charges will be deducted at the time of conversion and paid to the relevant distributor or the Principal Distributor (as applicable).<br><br>Please refer to Section "Conversion of Shares" of the Prospectus. | | |
| **Redemption Fee** | A and D (nil. A 2% charge on redemptions may be levied where excessive trading by a shareholder is suspected.) | | |
| **CDSC** | None | | |
| **Ongoing fees payable by the Merging Fund and Receiving Fund** | | | |
| **Management Fees** | A (up to 1.5.%) | A2 USD | A2 USD |
| | | A2 AUD HEDGED | A2 AUD HEDGED |
| | | A2 SGD HEDGED | A2 SGD HEDGED |
| | | A2 CHF HEDGED | A2 CHF HEDGED |
| | | A2 EUR HEDGED | A2 EUR HEDGED |
| | D (up to 0.75.%) | D2 USD | D2 USD |
| | | D2 CHF HEDGED | D2 CHF HEDGED |
| | | D2 EUR | D2 EUR |
| | | D2 EUR HEDGED | D2 EUR HEDGED |
| | | D2 GBP | D2 GBP |
| | | D2 SGD HEDGED | D2 SGD HEDGED |
| | | D3 USD | D3 USD |
| **Annual subscription tax (Taxe d'abonnement)** | A (0.05%) | A2 USD | A2 USD |
| | | A2 AUD HEDGED | A2 AUD HEDGED |
| | | A2 SGD HEDGED | A2 SGD HEDGED |
| | | A2 CHF HEDGED | A2 CHF HEDGED |
| | | A2 EUR HEDGED | A2 EUR HEDGED |
| | D (0.05%) | D2 USD | D2 USD |
| | | D2 CHF HEDGED | D2 CHF HEDGED |
| | | D2 EUR | D2 EUR |
| | | D2 EUR HEDGED | D2 EUR HEDGED |
| | | D2 GBP | D2 GBP |
| | | D2 SGD HEDGED | D2 SGD HEDGED |

| Fee Structure | | | |
|---|---|---|---|
| **Type** | **Class and fee rate (both Funds)** | **Merging Fund** | **Receiving Fund** |
| **Charges which may be payable by Shareholders** | | | |
| | | D3 USD | D3 USD |
| **Distribution Fees** | A (0.00%) | A2 USD | A2 USD |
| | | A2 AUD HEDGED | A2 AUD HEDGED |
| | | A2 SGD HEDGED | A2 SGD HEDGED |
| | | A2 CHF HEDGED | A2 CHF HEDGED |
| | | A2 EUR HEDGED | A2 EUR HEDGED |
| | D (0.00%) | D2 USD | D2 USD |
| | | D2 CHF HEDGED | D2 CHF HEDGED |
| | | D2 EUR | D2 EUR |
| | | D2 EUR HEDGED | D2 EUR HEDGED |
| | | D2 GBP | D2 GBP |
| | | D2 SGD HEDGED | D2 SGD HEDGED |
| | | D3 USD | D3 USD |
| **Depositary Fees** | Safekeeping fees: 0.001% to 0.45% of the value of the securities<br>Transactional fees: US$3 to US$108 per transaction | | |
| **Performance Fee** | **None** | | |
| **Annual Service Charge** | Up to 0.25% of the net asset value of the relevant share class | | |
| **Ongoing charges (OCF)** | A | A2 USD: 1.83% | A2 USD: 1.83% |
| | | A2 AUD HEDGED: 1.83% | A2 AUD HEDGED: 1.83% |
| | | A2 SGD HEDGED: 1.83% | A2 SGD HEDGED: 1.83% |
| | | A2 CHF HEDGED: 1.83% | A2 CHF HEDGED: 1.83% |
| | | A2 EUR HEDGED: 1.83% | A2 EUR HEDGED: 1.83% |
| | D | D2 USD: 1.08% | D2 USD: 1.08% |
| | | D2 CHF HEDGED: 1.08% | D2 CHF HEDGED: 1.08% |
| | | D2 EUR: 1.08% | D2 EUR: 1.08% |
| | | D2 EUR HEDGED: 1.08% | D2 EUR HEDGED: 1.08% |
| | | D2 GBP: 1.08% | D2 GBP: 1.08% |
| | | D2 SGD HEDGED: 1.08% | D2 SGD HEDGED: 1.08% * |
| | | D3 USD: 1.08% | D3 USD: 1.08%* |
| | *The ongoing charges figure for a class is based on the costs and expenses for the 12-month period ended 31 March 2026 to reflect the most up-to-date figures prior to the Merger.*<br>*For a share class which is newly launched (marked *), the ongoing charges figure represents the Management Company's best estimate of the ongoing charges based on the information available in respect of other active share classes with a similar fee structure.* | | |

**Classes of Shares and corresponding ISINs of the Funds**

All Classes of the Merging Fund and the Receiving Fund being in scope of the Merger are listed below:

| Merging Fund (Asian Growth Leaders Fund) | | Receiving Fund (Asian Dragon Fund) | |
|---|---|---|---|
| **ISIN** | **Share Class Name** | **ISIN** | **Share Class Name** |
| LU0821914370 | BGF Asian Growth Leaders Fund Class A2 USD | LU0072462343 | BGF Asian Dragon Fund Class A2 USD |
| LU1121335696 | BGF Asian Growth Leaders Fund Class A2 Hedged AUD | LU1023056804 | BGF Asian Dragon Fund Class A2 Hedged AUD |
| LU1279613795 | BGF Asian Growth Leaders Fund Class A2 Hedged CHF | LU1279613100 | BGF Asian Dragon Fund Class A2 Hedged CHF |
| LU1279613951 | BGF Asian Growth Leaders Fund Class A2 Hedged EUR | LU1279613365 | BGF Asian Dragon Fund Class A2 Hedged EUR |
| LU1048596156 | BGF Asian Growth Leaders Fund Class A2 Hedged SGD | LU1048588211 | BGF Asian Dragon Fund Class A2 Hedged SGD |
| LU0859042482 | BGF Asian Growth Leaders Fund Class D2 USD | LU0411709560 | BGF Asian Dragon Fund Class D2 USD |
| LU1578216449 | BGF Asian Growth Leaders Fund Class D2 EUR | LU0329592298 | BGF Asian Dragon Fund Class D2 EUR |
| LU1085282496 | BGF Asian Growth Leaders Fund Class D2 GBP | LU0827875187 | BGF Asian Dragon Fund Class D2 GBP |
| LU1279613878 | BGF Asian Growth Leaders Fund Class D2 Hedged CHF | LU1279613282 | BGF Asian Dragon Fund Class D2 Hedged CHF |
| LU1279614090 | BGF Asian Growth Leaders Fund Class D2 Hedged EUR | LU1279613522 | BGF Asian Dragon Fund Class D2 Hedged EUR |
| LU1862385751 | BGF Asian Growth Leaders Fund Class D2 Hedged SGD | LU3238193786 | BGF Asian Dragon Fund Class D2 Hedged SGD |
| LU1741217456 | BGF Asian Growth Leaders Fund Class D3 USD | LU3238193869 | BGF Asian Dragon Fund Class D3 USD |

**APPENDIX II − Key Comparison of the Objectives and Investment Strategy of the Merging Fund and Receiving Fund**

Information that appears in a particular column is information that is particular to the Fund named at the top of that column. Information that crosses both columns is information that is the same for both the Merging Fund and Receiving Fund.

| | **Merging Fund (Asian Growth Leaders Fund)** | **Receiving Fund (Asian Dragon Fund)** |
|---|---|---|
| Objective | To maximise total return by investing at least 70% of the Fund's total assets in stocks of companies based in, or with the majority of their business in, Asia, excluding Japan. | |
| Investment Policy | The Fund may also invest in emerging markets (such as India, South Korea and Taiwan).<br><br>Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities consistent with the Fund's objective and cash.<br><br>The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be less than 30% of its net asset value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).<br><br>The Fund may use derivatives for hedging, efficient portfolio management and investment purposes. | |
| | The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 30% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects. | The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects. |
| | The Fund places emphasis on sectors and "leading" companies that, in the opinion of the Investment Adviser, exhibit growth investment characteristics, such as above-average growth rates in earnings or sales and high or improving returns on capital. Such companies may also have attained or exhibited potential to attain above average market share in the geography they operate, or in one or more products or services within its principal sector.<br><br>As the Fund is an equity fund, it does not anticipate investing more than 10% of its net asset value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade*.<br><br>** Debt securities which are unrated or rated, at the time of purchase, BB+ (Standard & Poor's or equivalent rating) or lower by at least one recognised rating agency or, in the opinion of the Management Company, and, where applicable, based on the internal credit quality assessment procedure of the Management Company, are of comparable quality.* | / |



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BlackRock

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in any doubt about the content, you should consult your relationship manager or other professional adviser.

# BlackRock Global Funds

21 January 2026

*To the shareholders of:*
*BlackRock Global Funds – Next Generation Health Care Fund*

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. Decisions about our product line-up are based on multiple considerations, including, but not limited to, their fit within investment portfolios, product demand and client feedback considerations. Fund closures are a part of the natural cycle of industry innovation and help maintain the efficiency of our product platform.

After careful consideration, the board of directors (the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you that it has decided to terminate the Next Generation Health Care Fund (the "**Fund**") for the reasons set out below. The liquidation will begin as from the date of this letter (the "**Liquidation Starting Date**") and any outstanding shares will be redeemed on 4 March 2026 (the "**Liquidation Effective Date**").

Terms not defined herein shall have the same meaning as set out in the Company's prospectus currently in force (available at www.blackrock.com/hk[1]) (the "**Prospectus**").

1. **Background and decision**

The Fund launched in June 2021 and, due to limited commercial interest, its Net Asset Value ("**NAV**") stands at approximately USD 17.8 million as of December 2025. The Fund remained subscale, notably due to the underperformance of the healthcare sector. In light of the foregoing, the Directors, in consultation with the investment team(s), have concluded that continuing to manage the Fund at this size would not be in the best interest of shareholders. The decision to proceed with the liquidation reflects an assessment of the Fund's long-term viability, taking into account both size and expectations for future demand following client consultations.

In accordance with Section "Funds and Share Classes" of the Prospectus and Article 28 of the articles of the Company (the "**Articles**"), the Directors may determine to terminate a sub-fund of the Company in circumstances where (i) the NAV of any sub-fund falls below USD 50 million, and/or (ii) if they deem it in the interest of the shareholders. The Directors have therefore determined, in accordance with the Prospectus and the Articles, to liquidate the assets held in the underlying portfolio of the Fund (the "**Assets**") and distribute the redemption proceeds to shareholders to terminate the Fund.

Please note that from 19 January 2026, the Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors.

We will apply to the SFC for the withdrawal of authorisation of the Fund immediately following the closure of the Fund.

[1] Investors should note that the website has not been authorised or reviewed by the SFC.



NM0826U-6807636-19/50

2. **Ongoing charges**

As of 11 July 2025, the ongoing charges figures for the classes of the Fund are as follows:

| | | | |
|---|---|---|---|
| (i) | Class A2 | EUR | 1.82% |
| (ii) | Class A2 | HKD Hedged | 1.82% |
| (iii) | Class A2 | SGD Hedged | 1.82% |
| (iv) | Class A2 | USD | 1.82% |
| (v) | Class D2 | EUR | 1.00% |
| (vi) | Class D2 | USD | 1.00% |

The ongoing charges figure for each of the classes above is based on the costs and expenses of the relevant class with reference to the annual report of the Fund for the year ended 31 August 2024.

**3. Costs**

The Company has made a provision for the Fund closure costs (estimated to be approximately USD 450 of custody transaction costs, i.e. fees charged by the Company's custodian in processing the transactions for liquidation) which were accrued in the Fund's NAV on 19 January 2026 to allocate to each shareholder its pro-rata share of such costs.

Please note that while this provision is an estimate only, it represents the Investment Adviser's best estimate of costs and it is not anticipated that the final custody transaction costs would materially deviate from the provision made under normal circumstances. However, if any custody transaction costs are in excess of the provision, these custody transaction costs will be borne by the Fund as part of the liquidation. If the actual custody transaction costs are less than the provision, any excess amounts remaining after all liabilities have been discharged (which may be some time after liquidation) will be distributed to shareholders who have remained invested in the Fund up to the Liquidation Effective Date. While a provision is made for the estimated custody costs of transactions in the underlying Assets in the portfolio, shareholders should note that the Directors may continue to adjust the NAV per share of the Fund in order to reduce the effect of dilution on the Fund as disclosed in the Prospectus.

All (non-custody) portfolio transaction costs (i.e. transaction costs (except for custody transaction costs as mentioned above)) incurred as part of the liquidation of the Fund will be incurred by the Fund (meaning that you as a shareholder will bear a proportion of these portfolio transaction costs).

The legal and mailing costs incurred as part of the liquidation of the Fund will be paid by BlackRock.

The Fund does not have any unamortised preliminary expenses as at the date of this letter.

**4. Your options**

Further subscriptions to the Fund are not permitted from 19 January 2026. However, up until four (4) weeks (i.e. 18 February 2026) following the date of this notice, we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to date of this notice. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.

Shareholders have three (3) options available to them. If option 1 or 2 is chosen, an instruction must be received by the transfer agent or the local Investor Servicing team no later than the last dealing day (i.e. 3 March 2026) before the Liquidation Effective Date. If option 3 is chosen shareholders do not need to take any action.

Option 1: Switch:

Up until the last dealing day before the Liquidation Effective Date and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (other than costs of dilution to either sub-fund as disclosed in the Prospectus; however selected distributors may impose a charge on each switch of shareholding acquired through it, which will be deducted at the time of switch and paid to the relevant distributor), into the same or another class of any other sub-fund of the Company that are authorised for sale to the public in Hong Kong[2], provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the

[2] The SFC's authorisation is not a recommendation or endorsement of the Company or its sub-funds nor does it guarantee the commercial merits of the Company or its sub-funds or their performance. It does not mean the Company or its sub-funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus and no later than the last dealing day before the Liquidation Effective Date. If you require further assistance, please contact the Hong Kong Representative.

Option 2: Redeem in advance of the Liquidation Effective Date

Alternatively, as of the Liquidation Starting Date and up until the last dealing day before the Liquidation Effective Date, shareholders may request the redemption of their shares free of any redemption charges levied by BlackRock (other than costs of dilution to the Fund as disclosed in the Prospectus).

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares before the Liquidation Effective Date, your shares will be automatically redeemed in accordance with the Articles (copies of which are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office) on the Liquidation Effective Date.

**5. Redemption Proceeds**

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders by the Company in the relevant reference currency of the Fund or of the Share Class, in one or several instalments, within the applicable time limit as set forth in the Appendix B to the Prospectus (i.e. normally within three Business Days following the relevant Dealing Day). Save as otherwise mentioned under the section "Illiquid Instruments" in this letter, upon payment of the redemption proceeds, you shall have no further interest in the Fund, or any claim against the Company or its Assets in respect thereof. Details of these requirements are available from your local Investor Servicing team.

Proceeds not claimed by shareholders at the close of the liquidation of the Fund will generally be deposited at the *Caisse de Consignation de Luxembourg* (Luxembourg Public Trust Office) and shall be forfeited after thirty years.

**6. Preparing the Fund for closure**

From the Liquidation Starting Date up to and including the Liquidation Effective Date (the "**Liquidation Period**"), BlackRock will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests and to ensure that all investment proceeds are received prior to the Liquidation Effective Date, the Fund may deviate from its investment objective and policy or with the UCITS rules during the Liquidation Period (notably in the days immediately preceding the Liquidation Effective Date) as it may be necessary to begin selling down the Assets. Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

**7. Illiquid Instruments**

We wish to inform investors that a very limited portion of the Fund's NAV is composed of instruments that are illiquid (the "**Illiquid Instruments**"), which consist of five Contingent Value Rights ("**CVRs**") acquired by the Fund over the years through public corporate action events. CVRs are non-transferable placeholders that remain with the Fund until they either (i) pay out when certain milestones have been achieved within the specified period, or (ii) expire (i.e. deemed worthless) on the maturity date, and their timelines are typically measured in years. In view of the nature of the CVRs, it is expected that the Illiquid Instruments, with maturity dates ranging from January 2028 to December 2035, will persist well beyond the Liquidation Effective Date. Investors may contact the Hong Kong Representative for further details relating to the Illiquid Instruments.

Since the respective dates of receiving the Illiquid Instruments and to date, the Illiquid Instruments have been valued at their fair value based on the potential payout value of the each of the CVRs, taking into consideration, amongst others, the probabilities of the achievement of the relevant milestones and any achieved conditional payout. As of 19 November 2025, the fair value of the Illiquid Instruments was around USD 3315, which was around 0.00015% of the Fund's NAV.

The value of the Illiquid Instruments is calculated in accordance with the section "Net Asset Value and Price Determination" under Appendix B of the Prospectus and the Article 23 of the Articles, by reference to the fair value priced on the basis that the Illiquid Instruments were received as part of a corporate action and have a potential value contingent upon the achievement of predetermined milestones, but they are not traded on or admitted to any official stock exchange or any regulated market.

We are taking all reasonable steps to realise these Illiquid Instruments in a timely manner. As the Illiquid Instruments cannot be sold by the Liquidation Effective Date, investors who remain in the Fund and whose Shares were compulsorily redeemed on the Liquidation Effective Date will retain the right to receive any proceeds that may become available after deduction of all outstanding liabilities associated with the Illiquid Instruments ("**Illiquid Instruments Proceeds**"), pro rata to their holdings in the Fund as from the Liquidation Effective Date. For the avoidance of doubt, Shareholders who have redeemed their Shares prior to the Liquidation Effective Date are not entitled to the Illiquid Instruments Proceeds (if any). Alternatively, where appropriate (e.g. where the Illiquid Instruments Proceeds are negligible and do not justify the associated costs of distribution), the Management Company may write off such Illiquid Instruments Proceeds. Shareholders who remain in the Fund and whose Shares were compulsorily redeemed on the Liquidation Effective Date will be informed of the liquidation status once any significant developments occur.

After the Liquidation Effective Date, the Illiquid Instruments will continue to be held in custody by the Depositary under the current custodian arrangement of the Fund until such Illiquid Instruments are realised, expired or otherwise dispose of as stated above.

In the event that the proceeds from the realisation of the Illiquid Instruments are not able to cover the costs associated with the realisation and/or holding of Illiquid Instruments following the Liquidation Effective Date, and such excess costs are not covered by the provision for the Fund closure costs as set out under the section headed "Costs" of this letter, the Management Company will bear the excess costs and Shareholders whose Shares were compulsorily redeemed on the Liquidation Effective Date will not bear any costs and expense in relation to the termination of the Fund after the Liquidation Effective Date. For costs incurred on or prior to the Liquidation Effective Date, please refer to the section headed "Costs" of this letter. The Manager expects that the costs for the realisation of the Illiquid Instruments will not be significantly higher than those for investments which are liquid. Therefore, it is expected that there will be no material impact on the costs to be borne by the Fund as a result of the realisation of the Illiquid Instruments.

Based on the above, the Management Company expects that the arrangement above in respect of the Illiquid Instruments will facilitate the termination of the Fund and thus will be in the best interests of Shareholders and there will not be any adverse impact to the Shareholders.

**8. Tax Consequences**

Shareholders should note that under current law and practice in Hong Kong, the Company and the Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

No tax will be payable by shareholders in Hong Kong in respect of dividends or other income distributions of the Company or the Fund or in respect of any capital gains arising on a sale, redemption or other disposal of shares, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

However, Shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

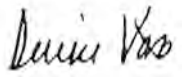
**9. General Information**

The Prospectus, Information for Residents of Hong Kong and Product Key Facts Statements of the sub-funds of the Company and the Company's Articles are available free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully



**Denise Voss**
**Chairwoman**

BlackRock

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If you are in any doubt about the content, you should consult your relationship manager or other professional adviser.

# BlackRock Global Funds

11 December 2025

*To the shareholders of:*
*BlackRock Global Funds – China Innovation Fund*

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. Decisions about our product line-up are based on multiple considerations, including, but not limited to, their fit within investment portfolios, product demand and client feedback considerations. Fund closures are a part of the natural cycle of industry innovation and help maintain the efficiency of our product platform.

After careful consideration, the board of directors (the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you that it has decided to terminate the China Innovation Fund (the "**Fund**") for the reasons set out below. The liquidation will begin as from the date of this letter (the "**Liquidation Starting Date**") and any outstanding shares will be redeemed on 22 January 2026 (the "**Liquidation Effective Date**").

Terms not defined herein shall have the same meaning as set out in the Company's prospectus currently in force (available at www.blackrock.com/hk[1]) (the "**Prospectus**").

1. **Background and decision**

The Fund launched in May 2022 and, due to limited commercial interest, the Fund has remained subscale and its net asset value stands at approximately USD 31.7 million as of November 2025. In addition, a recent review has shown limited potential for future growth. In light of the foregoing, the Directors, in consultation with the investment team(s), have concluded that continuing to manage the Fund at this size would not be in the best interest of shareholders. The decision to proceed with the liquidation reflects an assessment of the Fund's long-term sustainability, taking into account both size and recent developments.

In accordance with Section "Funds and Share Classes" of the Prospectus and Article 28 of the articles of the Company (the "**Articles**"), the Directors may determine to terminate a sub-fund of the Company in circumstances where (i) the NAV of any sub-fund falls below USD50 million, and/or (ii) if they deem it in the interest of the shareholders. The Directors have therefore determined, in accordance with the Prospectus and the Articles, to liquidate the assets held in the underlying portfolio of the Fund (the "**Assets**") and distribute the redemption proceeds to shareholders to terminate the Fund.

Please note that from 9 December 2025, the Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors.

We will apply to the SFC for the withdrawal of authorisation of the Fund immediately following the closure.

[1] Investors should note that the website has not been authorised or reviewed by the SFC.



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2. **Ongoing charges**

As of 30 April 2025, the ongoing charges figures for the classes of the Fund are as follows:

| | | |
|---|---|---|
| Class A2 | RMB Hedged | 1.82% |
| Class A2 | USD | 1.82% |
| Class D2 | EUR | 1.00% |
| Class D2 | RMB Hedged | 1.00% |
| Class D2 | USD | 1.00% |

The ongoing charges figure for each of the classes above is based on the costs and expenses of the relevant class with reference to the annual report of the Fund for the year ended 31 August 2024.

3. **Costs**

The Company has made a provision for the Fund closure costs (estimated to be approximately USD 1,000 of custody transaction costs, i.e. fees charged by the Company's custodian in processing the transactions for liquidation) which were accrued in the Fund's NAV on 9 December 2025 to allocate to each shareholder its pro-rata share of such costs.

Please note that while this provision is an estimate only, it represents the Investment Adviser's best estimate of costs and it is not anticipated that the final custody transaction costs would materially deviate from the provision made under normal circumstances. However, if any custody transaction costs are in excess of the provision, these custody transaction costs will be borne by the Fund as part of the liquidation. If the actual custody transaction costs are less than the provision, any excess amounts remaining after all liabilities have been discharged (which may be some time after liquidation) will be distributed to shareholders who have remained invested in the Fund up to the Liquidation Effective Date. While a provision is made for the estimated custody costs of transactions in the underlying Assets in the portfolio, shareholders should note that the Directors may continue to adjust the NAV per share of the Fund in order to reduce the effect of dilution on the Fund as disclosed in the Prospectus.

All (non-custody) portfolio transaction costs (i.e. transaction costs (except for custody transaction costs as mentioned above)) incurred as part of the liquidation of the Fund will be incurred by the Fund (meaning that you as a shareholder will bear a proportion of these portfolio transaction costs).

The legal and mailing costs incurred as part of the liquidation of the Fund will be paid by BlackRock.

The Fund does not have any unamortised preliminary expenses as at the date of this letter.

4. **Your options**

Further subscriptions to the Fund are not permitted from 9 December 2025. However, up until four (4) weeks (i.e. 8 January 2026) following the date of this notice, we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to date of this notice. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.

Shareholders have three (3) options available to them. If option 1 or 2 is chosen, an instruction must be received by the transfer agent or the local Investor Servicing team no later than the last dealing day (i.e. 21 January 2026) before the Liquidation Effective Date. If option 3 is chosen shareholders do not need to take any action.

Option 1: Switch:

Up until the last dealing day before the Liquidation Effective Date and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (other than costs of dilution to either sub-fund as disclosed in the Prospectus; however selected distributors may impose a charge on each switch of shareholding acquired through it, which will be deducted at the time of switch and paid to the relevant distributor), into the same or another class of any other sub-fund of the Company that are authorised for sale to the public in Hong Kong[2] provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus

[2] The SFC's authorisation is not a recommendation or endorsement of the Company or its sub-funds nor does it guarantee the commercial merits of the Company or its sub-funds or their performance. It does not mean the Company or its sub-funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

and no later than the last dealing day before the Liquidation Effective Date. If you require further assistance, please contact the Hong Kong Representative.

Option 2: Redeem in advance of the Liquidation Effective Date

Alternatively, as of the Liquidation Starting Date and up until the last dealing day before the Liquidation Effective Date, shareholders may request the redemption of their shares free of any redemption charges levied by BlackRock (other than costs of dilution to the Fund as disclosed in the Prospectus).

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares before the Liquidation Effective Date, your shares will be automatically redeemed in accordance with the Articles (copies of which are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office) on the Liquidation Effective Date.

5. **Redemption Proceeds**

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders by the Company in the relevant reference currency of the Fund or of the Share Class, in one or several instalments, within the applicable time limit as set forth in the Appendix B to the Prospectus (i.e. normally within three Business Days following the relevant Dealing Day). Upon payment of the redemption proceeds, you shall have no further interest in the Fund, or any claim against the Company or its Assets in respect thereof. Details of these requirements are available from your local Investor Servicing team.

Proceeds not claimed by shareholders at the close of the liquidation of the Fund will generally be deposited at the *Caisse de Consignation de Luxembourg* (Luxembourg Public Trust Office) and shall be forfeited after thirty years.

6. **Preparing the Fund for closure**

From the Liquidation Starting Date up to and including the Liquidation Effective Date (the "**Liquidation Period**"), BlackRock will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests and to ensure that all investment proceeds are received prior to the Liquidation Effective Date, the Fund may deviate from its investment objective and policy or with the UCITS rules during the Liquidation Period (notably in the days immediately preceding the Liquidation Effective Date) as it may be necessary to begin selling down the Assets. Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

7. **Tax Consequences**

Shareholders should note that under current law and practice in Hong Kong, the Company and the Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

No tax will be payable by shareholders in Hong Kong in respect of dividends or other income distributions of the Company or the Fund or in respect of any capital gains arising on a sale, redemption or other disposal of shares, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

However, Shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

8. **General Information**

The Prospectus, Information for Residents of Hong Kong and Product Key Facts Statements of the sub-funds of the Company and the Company's Articles are available free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully



**Denise Voss**
**Chairwoman**



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*Société anonyme*
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If you are in any doubt about the content, you should consult your relationship manager or other professional adviser.

# BlackRock Global Funds

26 September 2025

*To the shareholders of:*
*BlackRock Global Funds – Nutrition Fund*
*ISINs: LU0471298694*, LU0385154629*, LU2360106947*, LU1978682521, LU0385157309*, LU0496654400*, LU0827887869*, LU0629637199*, LU0471298348*, LU0612935741*, LU0471298777*, LU0471299072*, LU0475494422*, LU0471298850*, LU0827887943*, LU0827888081*, LU0827888164*, LU0827888248*, LU2112292680, LU2112292508, LU0673439724, LU2360106863, LU1733225269*
*Note: Only the share classes marked with * may be offered to the public in Hong Kong.*

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. Decisions about our product line-up are based on multiple considerations, including, but not limited to, their fit within investment portfolios, product demand and client feedback considerations. Fund closures are a part of the natural cycle of industry innovation and help maintain the efficiency of our product platform.

After careful consideration, the board of directors (the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you that it has decided to terminate the Nutrition Fund (the "**Fund**") for the reasons set out below. The liquidation will begin as from the date of this letter (the "**Liquidation Starting Date**") and any outstanding shares will be redeemed on 14 November 2025 (the "**Liquidation Effective Date**").

Terms not defined herein shall have the same meaning as set out in the Company's prospectus currently in force (available at www.blackrock.com/hk[1]) (the "**Prospectus**").

1. **Background and decision**

The Fund has been launched in February 2010 as an Agriculture fund and was repositioned in March 2019 into a Nutrition investment strategy. While the repositioning initially attracted interest, the strategy has not performed as expected. The progress of investment themes are monitored and based on a recent thematic review, it has been determined that the outlook for this Fund is less favorable as the Nutrition investment strategy is not expected to outperform the global equity market. As at the date of this letter, the Fund's Net Asset Value stands at USD 129m, and due to this revised outlook for the theme, the Directors, in consultation with the investment teams, do not expect to raise significant further subscriptions in the near future and consider that it would be in the best interest of shareholders to put the Fund into liquidation as continuing to manage the Fund at this size will result in a higher cost of investing relative to running the Fund at a greater size.

In accordance with Section "Funds and Share Classes" of the Prospectus and Article 28 of the articles of the Company (the "**Articles**"), the Directors may determine to terminate a sub-fund of the Company in circumstances where they deem it in the interest of the shareholders. The Directors have therefore determined, in accordance with the Prospectus and the Articles, to liquidate the assets held in the underlying portfolio of the Fund (the "**Assets**") and distribute the redemption proceeds to shareholders to terminate the Fund.

[1] Investors should note that the website has not been authorised or reviewed by the SFC.



NM0826U-6807636-28/50

Please note that from 23 September 2025, the Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors.

We will apply to the SFC for the withdrawal of authorisation of the Fund immediately following the closure of the Fund.

2. **Ongoing charges**

As of 31 August 2025, the ongoing charges figures for the classes of the Fund are as follows:

| | | |
|---|---|---|
| Class A2 | EUR Hedged | 1.82% |
| Class A2 | HKD | 1.82% |
| Class A2 | PLN Hedged | 1.82% |
| Class A2 | SGD Hedged | 1.82% |
| Class A2 | USD | 1.82% |
| Class A4 | EUR Hedged | 1.82% |
| Class A4 | GBP Hedged | 1.82% |
| Class A4 | USD | 1.79% |
| Class C2 | USD | 3.07% |
| Class D2 | EUR | 1.00% |
| Class D2 | EUR Hedged | 1.00% |
| Class D2 | GBP Hedged | 1.00% |
| Class D2 | HKD | 1.00% |
| Class D2 | SGD Hedged | 1.00% |
| Class D2 | USD | 1.00% |
| Class D4 | EUR Hedged | 1.00% |
| Class D4 | GBP Hedged | 1.00% |

The ongoing charges figure for each of the classes above is based on the costs and expenses of the relevant class for the 12-month period ended 31 August 2025.

3. **Costs**

The Company has made a provision for the Fund closure costs (estimated to be approximately USD 6,000 of custody transaction costs, i.e. fees charged by the Company's custodian in processing the transactions for liquidation) which were accrued in the Fund's NAV on 23 September 2025 to allocate to each shareholder its pro-rata share of such costs.

Please note that while this provision is an estimate only, it represents the Investment Adviser's best estimate of costs and it is not anticipated that the final custody transaction costs would materially deviate from the provision made under normal circumstances. However, if any custody transaction costs are in excess of the provision, these custody transaction costs will be borne by the Fund as part of the liquidation. If the actual custody transaction costs are less than the provision, any excess amounts remaining after all liabilities have been discharged (which may be some time after liquidation) will be distributed to shareholders who have remained invested in the Fund up to the Liquidation Effective Date. While a provision is made for the estimated custody costs of transactions in the underlying Assets in the portfolio, shareholders should note that the Directors may continue to adjust the NAV per share of the Fund in order to reduce the effect of dilution on the Fund as disclosed in the Prospectus.

All (non-custody) portfolio transaction costs (i.e. all transaction costs (except for custody transaction costs as mentioned above)) incurred as part of the liquidation of the Fund will be borne by the Fund (meaning that you as a shareholder will bear a proportion of these portfolio transaction costs).

The legal and mailing costs incurred as part of the liquidation of the Fund will be paid by BlackRock.

The Fund does not have any unamortised preliminary expenses as at the date of this letter.

4. **Your options**

Further subscriptions to the Fund are not permitted from 23 September 2025. However, up until four (4) weeks (i.e. 24 October 2025) following the date of this notice, we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to date of this notice. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.



NM0826U-6807636-29/560

Shareholders have three (3) options available to them. If option 1 or 2 is chosen, an instruction must be received by the transfer agent or the local Investor Servicing team no later than the last dealing day before the Liquidation Effective Date. If option 3 is chosen shareholders do not need to take any action.

Option 1: Switch:

Up until the last dealing day before the Liquidation Effective Date and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (other than costs of dilution to either sub-fund as disclosed in the Prospectus), into the same or another class of any other sub-fund of the Company that are authorised for sale to the public in Hong Kong[2], provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus and no later than the last dealing day before the Liquidation Effective Date. If you require further assistance, please contact the Hong Kong Representative.

Option 2: Redeem in advance of the Liquidation Effective Date

Alternatively, as of the Liquidation Starting Date and up until the last dealing day before the Liquidation Effective Date, shareholders may request the redemption of their shares free of any redemption charges levied by BlackRock (other than costs of dilution to the Fund as disclosed in the Prospectus).

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares before the Liquidation Effective Date, your shares will be automatically redeemed in accordance with the Articles (copies of which are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office) on the Liquidation Effective Date.

5. **Redemption Proceeds**

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders by the Company in the relevant reference currency of the Fund or of the Share Class, in one or several instalments, within the applicable time limit as set forth in the Appendix B to the Prospectus (i.e. normally within three Business Days following the relevant Dealing Day).

Save as otherwise mentioned under the section "Delisted Securities" in this letter, upon payment of the redemption proceeds, you shall have no further interest in the Fund, or any claim against the Company or its Assets in respect thereof. Details of these requirements are available from your local Investor Servicing team.

Proceeds not claimed by shareholders at the close of the liquidation of the Fund will generally be deposited at the *Caisse de Consignation de Luxembourg* (Luxembourg Public Trust Office) and shall be forfeited after thirty years.

6. **Preparing the Fund for closure**

From the Liquidation Starting Date up to and including the Liquidation Effective Date (the "**Liquidation Period**"), BlackRock will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests and to ensure that all investment proceeds are received prior to the Liquidation Effective Date, the Fund may deviate from its investment objective and policy or with the UCITS rules during the Liquidation Period (notably in the days immediately preceding the Liquidation Effective Date) as it may be necessary to begin selling down the Assets. Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

[2] The SFC's authorisation is not a recommendation or endorsement of the Company or its sub-funds nor does it guarantee the commercial merits of the Company or its sub-funds or their performance. It does not mean the Company or its sub-funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

7. **Delisted Securities**

The Fund currently holds shares of a company which had been suspended and subsequently delisted (the "**Delisted Securities**") in the relevant market. Since 25 November 2021 and to date, the Delisted Securities have been valued at their fair value and have in effect been deemed worthless[3].

The value of the Delisted Securities is calculated in accordance with the section "Net Asset Value and Price Determination" under Appendix B of the Prospectus and the Article 23 of the Articles, by reference to the fair value priced on the basis that the Delisted Securities have been delisted, bankrupt and/or undergoing liquidation.

The Management Company will seek to liquidate the Delisted Securities by selling the Delisted Securities or by disposing the Delisted Securities, when feasible. In the absence of a viable option to liquidate the Delisted Securities, the Delisted Securities will be subject to one of the following actions: (i) writing off the Delisted Securities, or (ii) transferring the Delisted Securities at zero or nominal value to the Management Company. The Management Company is now evaluating the most appropriate course of action in relation to the Delisted Securities, and will proceed in accordance with the applicable provisions of the Prospectus and the Articles in relation to pricing and valuation.

In the event that the Delisted Securities remain in the Fund after the Liquidation Effective Date, such Delisted Securities will continue to be held in custody by the Depositary under the current custodian arrangement of the Fund until such Delisted Securities are sold and realised, or otherwise dispose of.

Given the Delisted Securities' current fair value, the Management Company does not envision that there will be any proceeds from the sale / disposal of the Delisted Securities. However, if there is any proceeds from the sale / disposal of the Delisted Securities as and when they become liquid or otherwise disposed of after deduction of the costs of holding and transacting the Delisted Securities following the Liquidation Effective Date (the "**Delisted Securities Proceeds**"), the Management Company will pay the Delisted Securities Proceeds to the Shareholders who remain in the Fund and whose Shares were compulsorily redeemed on the Liquidation Effective Date as soon as reasonably practicable after the receipt of the Delisted Securities Proceeds, on a pro-rata basis in accordance with the number of Shares held as at the Liquidation Effective Date, in the manner set out under the Section "Redemption Proceeds" above. For the avoidance of doubt, Shareholders who have redeemed their Shares prior to the Liquidation Effective Date are not entitled to the Delisted Securities Proceeds (if any). Alternatively, where appropriate (e.g. where the Delisted Securities Proceeds are negligible and do not justify the associated costs of distribution), the Management Company may write off such Delisted Securities Proceeds.

In the event that the proceeds from the sale / disposal of the Delisted Securities are not able to cover the costs of holding and transacting the Delisted Securities following Liquidation Effective Date, and such excess costs are not covered by the provision for the Fund closure costs as set out under the section headed "Costs" of this letter, the Management Company will bear the excess costs and Shareholders whose Shares were compulsorily redeemed on the Liquidation Effective Date will not bear any costs and expense in relation to the termination of the Fund after the Liquidation Effective Date. For costs incurred on or prior to the Liquidation Effective Date, please refer to the section headed "Costs" of this letter. The Manager expects that the transaction costs for the liquidation of the Delisted Securities will not be significantly higher than those for investments which are liquid. Therefore, it is expected that there will be no material impact on the costs to be borne by the Fund as a result of the liquidation of the Delisted Securities.

Based on the above, the Management Company expects that the liquidation arrangement above in respect of the Delisted Securities will facilitate the termination of the Fund and thus will be in the best interests of Shareholders and there will not be any adverse impact to the Shareholders.

8. **Tax Consequences**

Shareholders should note that under current law and practice in Hong Kong, the Company and the Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

No tax will be payable by shareholders in Hong Kong in respect of dividends or other income distributions of the Company or the Fund or in respect of any capital gains arising on a sale, redemption or other disposal of shares, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

[3] The Delisted Securities consist of 720,000 shares of a delisted company. Although the Delisted Securities in effect have been deemed worthless, due to the Management Company's system constraint, the minimum amount for the value of one security has to be input as 0.00001, resulting in a recorded value of HKD 7.20 (or USD 0.92). The recorded amount of the Delisted Securities constitutes 0.01% of the Net Asset Value per Share and hence is negligible.

However, Shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

9. **General Information**

The Prospectus, Information for Residents of Hong Kong and Product Key Facts Statements of the sub-funds of the Company and the Company's Articles are available free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully



**Denise Voss**
**Chairwoman**

BlackRock

Registered Office:
2-4, rue Eugène Ruppert,
L-2453 Luxembourg
Grand Duchy of Luxembourg
*Société anonyme*
R.C.S. Luxembourg B 6.317

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If you are in any doubt about the content, you should consult your relationship manager or other professional adviser.

# BlackRock Global Funds

21 August 2025

*To the shareholders of:*
*BlackRock Global Funds – US Government Mortgage Impact Fund*
*ISINs: LU0035308682*; LU0096258446*; LU0172418690*; LU0147384878*; LU0147385503*; LU0424777026*; LU0592702145*; LU0277197322; LU0147385842; LU2714841868*; LU2677621554; LU2677621471; LU2714841512; LU2714841603; LU2714841785; LU2533725326; LU2011139206; LU1456639035; LU2714841439; LU2714841355; LU1246652132; LU2533725599*

*Note: Only the share classes marked with * may be offered to the public in Hong Kong.*

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. Decisions about our product line-up are based on multiple considerations, including, but not limited to, their fit within investment portfolios, product demand and client feedback. Fund closures are a part of the natural cycle of industry innovation and help maintain the efficiency of our product platform.

After careful consideration, the board of directors (the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you that it has decided to terminate the US Government Mortgage Impact Fund (the "**Fund**") for the reasons set out below. The liquidation will begin as from the date of this letter (the "**Liquidation Starting Date**") and any outstanding shares will be redeemed on 16 October 2025 (the "**Liquidation Effective Date**").

Terms not defined herein shall have the same meaning as set out in the Company's prospectus currently in force (available at www.blackrock.com/hk[1]) (the "**Prospectus**").

1. **Background and decision**

The Fund was launched in July 2002 and initially attracted interest because of its differentiated thematic strategy. However, in June 2025, the Fund's Net Asset Value ("**NAV**") stood approximately at USD 74 million due to limited commercial interest. Moreover, in recent years, the NAV has significantly decreased, with annual net outflows surpassing inflows, in addition to underperformance over the last two years. As a result, the Directors, in consultation with the investment team(s) consider that no immediate demand is anticipated and that continuing to manage the Fund at this size would not be in the best interest of shareholders as it will necessarily result in a higher cost of investing (relative to running the Fund at a greater size).

In accordance with Section "Funds and Share Classes" of the Prospectus and Article 28 of the articles of the Company (the "**Articles**"), the Directors may determine to terminate a sub-fund of the Company in circumstances where they deem it in the interest of the shareholders. The Directors have therefore determined, in accordance with the Prospectus and the Articles, to liquidate the assets held in the underlying portfolio of the Fund (the "**Assets**") and distribute the redemption proceeds to shareholders to terminate the Fund.

[1] Investors should note that the website has not been authorised or reviewed by the SFC.



NM0826U-6807636-33/50

Please note that from 19 August 2025, the Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors.

We will apply to the SFC for the withdrawal of authorisation of the Fund immediately following the closure of the Fund.

2. **Ongoing charges**

As of 30 April 2025, the ongoing charges figures for the classes of the Fund are as follows:

(i) Class A1 USD 0.90%

(ii) Class A2 EUR Hedged 0.94%

(iii) Class A2 USD 0.90%

(iv) Class A3 USD 0.90%

(v) Class C1 USD 2.15%

(vi) Class C2 USD 2.15%

(vii) Class D2 USD 0.57%

(viii) Class D3 USD 0.56%

Except for Class A2 EUR Hedged and Class D2 USD, whose ongoing charges figures are based on the costs and expenses for the 12-months period ended 28 February 2025, the ongoing charges figure for each of the classes above is based on the costs and expenses of the relevant class with reference to the annual report of the Fund for the year ended 31 August 2024.

3. **Costs**

The Company has made a provision for the Fund closure costs (estimated to be approximately USD 800 of custody transaction costs, i.e. fees charged by the Company's custodian in processing the transactions for liquidation) which were accrued in the Fund's NAV on 19 August 2025 to allocate to each shareholder its pro-rata share of such costs.

Please note that while this provision is an estimate only, it represents the Investment Adviser's best estimate of costs and it is not anticipated that the final custody transaction costs would materially deviate from the provision made under normal circumstances. However, if any custody transaction costs are in excess of the provision, these custody transaction costs will be borne by the Fund as part of the liquidation. If the actual custody transaction costs are less than the provision, any excess amounts remaining after all liabilities have been discharged (which may be some time after liquidation) will be distributed to shareholders who have remained invested in the Fund up to the Liquidation Effective Date. While a provision is made for the estimated custody costs of transactions in the underlying Assets in the portfolio, shareholders should note that the Directors may continue to adjust the NAV per share of the Fund in order to reduce the effect of dilution on the Fund as disclosed in the Prospectus.

All (non-custody) portfolio transaction costs (i.e. all transaction costs (except for custody transaction costs as mentioned above)) incurred as part of the liquidation of the Fund will be borne by the Fund (meaning that you as a shareholder will bear a proportion of these portfolio transaction costs).

The legal and mailing costs incurred as part of the liquidation of the Fund will be paid by BlackRock.

The Fund does not have any unamortised preliminary expenses as at the date of this letter.

4. **Your options**

Further subscriptions to the Fund are not permitted from 19 August 2025. However, up until two (2) weeks (i.e. 4 September 2025) following the date of this notice, we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to date of this notice. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.



NM0826U-6807636-28/50

Shareholders have three (3) options available to them. If option 1 or 2 is chosen, an instruction must be received by the transfer agent or the local Investor Servicing team no later than the last dealing day before the Liquidation Effective Date. If option 3 is chosen shareholders do not need to take any action.

Option 1: Switch:

Up until the last dealing day before the Liquidation Effective Date and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (other than costs of dilution to either sub-fund as disclosed in the Prospectus), into the same or another class of any other sub-fund of the Company that are authorised for sale to the public in Hong Kong[2], provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus and no later than the last dealing day before the Liquidation Effective Date. If you require further assistance, please contact the Hong Kong Representative.

Option 2: Redeem in advance of the Liquidation Effective Date

Alternatively, as of the Liquidation Starting Date and up until the last dealing day before the Liquidation Effective Date, shareholders may request the redemption of their shares free of any redemption charges levied by BlackRock (other than costs of dilution to the Fund as disclosed in the Prospectus).

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares before the Liquidation Effective Date, your shares will be automatically redeemed in accordance with the Articles (copies of which are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office) on the Liquidation Effective Date.

5. **Redemption Proceeds**

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders by the Company in the relevant reference currency of the Fund or of the Share Class, in one or several instalments, within the applicable time limit as set forth in the Prospectus (i.e. normally within three Business Days following the relevant Dealing Day). Upon payment of the redemption proceeds, you shall have no further interest in the Fund, or any claim against the Company or its Assets in respect thereof. Details of these requirements are available from your local Investor Servicing team.

Proceeds not claimed by shareholders at the close of the liquidation of the Fund will generally be deposited at the *Caisse de Consignation de Luxembourg* (Luxembourg Public Trust Office) and shall be forfeited after thirty years.

6. **Preparing the Fund for closure**

From the Liquidation Starting Date up to and including the Liquidation Effective Date (the "**Liquidation Period**"), BlackRock will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests and to ensure that all investment proceeds are received prior to the Liquidation Effective Date, the Fund may deviate from its investment objective and policy or with the UCITS rules during the Liquidation Period (notably in the days immediately preceding the Liquidation Effective Date) as it may be necessary to begin selling down the Assets. Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

7. **Tax Consequences**

Shareholders should note that under current law and practice in Hong Kong, the Company and the Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

[2] The SFC's authorisation is not a recommendation or endorsement of the Company or its sub-funds nor does it guarantee the commercial merits of the Company or its sub-funds or their performance. It does not mean the Company or its sub-funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

No tax will be payable by shareholders in Hong Kong in respect of dividends or other income distributions of the Company or the Fund or in respect of any capital gains arising on a sale, redemption or other disposal of shares, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

However, Shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

8. **General Information**

The Prospectus, Information for Residents of Hong Kong and Product Key Facts Statements of the sub-funds of the Company and the Company's Articles are available free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully



**Denise Voss**
**Chairwoman**

BlackRock

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.
If you are in any doubt about the action to be taken you should consult your professional adviser immediately.

# BLACKROCK GLOBAL FUNDS

2 December 2022

To the shareholders of:
BlackRock Global Funds – Asia Pacific Equity Income Fund
ISINs: LU1333799754, LU0414403682*, LU0414403849*, LU0414403922*, LU0414403419*, LU0414403500*, LU0448666767*, LU0916957664*, LU1379100800*, LU1031077412*, LU0827875005*, LU0827874966*, LU1109561776*, LU0628613399, LU0628613472, LU0628613555*, LU0765512784*, LU0738912210*, LU1257007481*, LU0852073260*, LU1523255765

*Note: Only the share classes marked with * may be offered to the public in Hong Kong.*

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. After careful consideration, the board of directors (the "**Directors**") of BlackRock Global Funds (the "**Company**") is writing to notify you that it has decided to terminate the Asia Pacific Equity Income Fund (the "**Fund**") for the reasons set out below. The assets held in the underlying investment portfolio of the Fund (the "**Assets**") will be liquidated by the end of the liquidation period, and it is intended to redeem any outstanding shares on 2 March 2023 (the "**Effective Date**").

Terms not defined in this letter have the same meaning given to them in the Company's prospectus (available at www.blackrock.com/hk) (the "**Prospectus**"). Investors should note that the website has not been authorised or reviewed by the Securities and Futures Commission ("**SFC**").

**1 Background and decision**
The Prospectus and Article 28 of the Articles of the Company permit the Directors to notify shareholders of the closure of any particular Fund where they deem it in the interests of the shareholders.

The Fund was launched in September 2009 and its assets under management ("**AUM**") peaked in November 2014. The Fund's AUM has steadily declined since and, as of 12 September 2022, it has an AUM of USD114mm. The Directors believe the Fund no longer aligns with BlackRock's wider investment platform and do not expect to raise subscriptions in the near future in the absence of recent investor interest in the Fund. After considering a number of options, the Directors have determined, in accordance with the Prospectus and the Articles, to liquidate the Assets and distribute redemption proceeds to shareholders.

Please note that from the date of this letter, the Fund is no longer allowed to be marketed to the public in Hong Kong and shall not accept subscription from new investors.

We will apply to the SFC for the withdrawal of authorisation of the Fund immediately following the closure of the Fund.



NM0826U-6807636-37/560

**2. Ongoing charges**

As of 31 October 2022, the ongoing charges figures for the classes of the Fund are as follows:

| | | |
|---|---|---|
| Class A2 | GBP | 1.89% |
| Class A2 | USD | 1.88% |
| Class A4(G) | EUR Hedged | 1.88% |
| Class A5(G) | HKD | 1.88% |
| Class A5(G) | SGD Hedged | 1.88% |
| Class A5(G) | USD | 1.88% |
| Class A6 | HKD Hedged | 1.88% |
| Class A6 | USD | 1.88% |
| Class A8 | AUD Hedged | 1.88% |
| Class A8 | RMB Hedged | 1.88% |
| Class A8 | ZAR Hedged | 1.89% |
| Class C5(G) | SGD Hedged | 3.13% |
| Class C5(G) | USD | 3.13% |
| Class D2 | USD | 1.13% |
| Class D4(G) | GBP | 1.14% |
| Class D5(G) | SGD Hedged | 1.13% |
| Class D5(G) | USD | 1.13% |

The ongoing charges figure for a class is based on the costs and expenses of the relevant class expressed as a percentage of its average Net Asset Value for a 12-month period ended 31 October 2022.

**3. Your options**

From the date of this letter, no further subscriptions to the Fund will be permitted. However, up until 20 January 2023 we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to the date of this letter. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.

Shareholders have 3 options available to them. If option 1 or 2 is chosen, an instruction must be received no later than 28 February 2023. If option 3 is chosen, shareholders do not need to take any action.

Option 1: Switch

Up until 28 February 2023 and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (but may be subject to a dilution adjustment), into the same or another share class of any other sub-fund of the Company that are authorised for sale to the public in Hong Kong[1], provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class of the other sub-funds. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus and no later than 28 February 2023. If you require further assistance, please contact the Hong Kong Representative.

Option 2: Redeem

Alternatively, as of the date of this letter and up until 28 February 2023, shareholders may request the redemption of their shares free of any redemption charges levied by the Management Company (but may be subject to a dilution adjustment).

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares on or before 28 February 2023, your shares will be automatically redeemed in accordance with the Articles (copies of which are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office) on the Effective Date.

**4. Redemption proceeds**

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders within three Business Days following the relevant Dealing Day, provided that all necessary payment

[1] The SFC's authorisation is not a recommendation or endorsement of the Company or its sub-funds nor does it guarantee the commercial merits of the Company or its sub-funds or their performance. It does not mean the Company or its sub-funds are suitable for all investors nor is it an endorsement of their suitability for any particular investor or class of investors.

instructions have been received in writing and that all necessary identification documentation has been provided. Details of these requirements are available from your local Investor Servicing Team.

Proceeds not claimed by shareholders at close of liquidation of the Fund will be deposited at the Caisse de Consignation in Luxembourg and shall be forfeited after thirty years.

**5. Costs**

The Company has made a provision for the Fund's closure costs (estimated to be approx. USD 19, 640 of custody transaction costs, i.e. fees charged by the Company's custodian in processing the transactions for liquidation) which were accrued in the Fund's Net Asset Value on the date of this letter.

All transaction costs (except for custody transaction costs as mentioned above), legal and mailing costs incurred (estimated to be approx. USD186,000) as part of the liquidation of the Fund will be paid by BlackRock either directly or by compensating the Fund via a provision. Such provision will be borne by the Investment Adviser and will not be set aside from the Assets.

In the case where the relevant costs are covered by a provision, please note that while such provision is an estimate only, it represents the Investment Adviser's best estimate of costs and it is not anticipated that the final transaction costs (including custody transaction costs as well as all other transaction costs), legal and mailing costs would materially deviate from the provisions made under normal circumstances. However, if any transaction costs, i.e. custody transaction costs or other transaction costs, legal and mailing costs are in excess of the respective provision as specified above, these costs will be borne by the Fund as part of the liquidation. If the actual total transaction costs, legal and mailing costs are less than the total provision (being the aggregate of provision on the custody transaction costs and the provision on all other transaction costs, legal and mailing costs), any excess amounts remaining after all liabilities have been discharged (which may be some time after liquidation) will be distributed to shareholders who have remained invested in the Fund up to the Effective Date. While a provision is made for the estimated costs of, among others, executing transactions in the underlying Assets in the portfolio, shareholders should note that the Directors may continue to adjust the Net Asset Value per share of the Fund in order to reduce the effect of dilution on the Fund as disclosed in the Prospectus.

The Fund does not have any unamortised preliminary expenses as at the date of this letter.

**6. Preparing the Fund for closure**

From the date of this letter up to and including the Effective Date (the "**Winding-Up Period**"), the Investment Adviser will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests the Fund may not always be compliant with its investment objective and policy or with the UCITS rules during the Winding-Up Period (notably in the days immediately preceding the Effective Date) as it may be necessary to begin selling down Assets.

Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

**7. Tax consequences**

Shareholders should note that under current law and practice in Hong Kong, the Company and the Fund are not expected to be subject to Hong Kong tax in respect of any of the authorised activities.

No tax will be payable by shareholders in Hong Kong in respect of dividends or other income distributions of the Company or the Fund or in respect of any capital gains arising on a sale, redemption or other disposal of shares, except that Hong Kong profits tax may arise where such transactions form part of a trade, profession or business carried on in Hong Kong.

However, shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

**8. General information**

The Prospectus, Information for Residents of Hong Kong and Product Key Facts Statements of the sub-funds of the Company and the Company's Articles are available free of charge upon request from your local representative on +852 3903-2688 or at the office of the Hong Kong Representative at the address stated below.



NM0826U-6807636-39/560

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

If you would like any further information or have any questions regarding this letter, please contact the Company's Hong Kong Representative, BlackRock Asset Management North Asia Limited, at 16/F Champion Tower, 3 Garden Road, Central, Hong Kong or by telephone on +852 3903-2688.

Yours faithfully



Denise Voss
**Chairwoman**



**PRISMA 22/1603 BGF APEI SHL ENG/hk 1122**
NM0826U-6807636-30/50

**BLACKROCK GLOBAL FUNDS**
**(the "Company")**

**INFORMATION FOR RESIDENTS OF HONG KONG**
*This Document contains additional information of particular relevance to residents of Hong Kong. All decisions to subscribe for Shares should be made on the basis of the information in the Prospectus, as modified and supplemented by this Document, and the most recent annual and (if later) half yearly accounts of the Company.*

Terms not defined herein shall have the same meaning as set out in the Prospectus.

**IMPORTANT – IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS DOCUMENT, YOU SHOULD SEEK INDEPENDENT PROFESSIONAL FINANCIAL ADVICE.**

## AUTHORISATION IN HONG KONG

The Company and the Funds set out in the "**Funds available in Hong Kong**" section below are authorised by the Securities and Futures Commission in Hong Kong (the "**SFC**") as a collective investment scheme. The SFC's authorisation is not a recommendation or endorsement of the Company/the Funds nor does it guarantee the commercial merits of the Company/the Funds or their performance. It does not mean the Company/the Funds are suitable for all investors nor is it an endorsement of their suitabilities for any particular investor or class of investors. No money should be paid to any intermediary in Hong Kong who is not licensed or registered to carry out type 1 regulated activity under part V of the Securities and Futures Ordinance.

Notwithstanding the incorporation into the offering documents of the Company of the availability of investment powers under the UCITS Directive 2001/108/EC (as amended), for so long as the Funds set out in the "**Funds available in Hong Kong**" section below remain authorised by the SFC, and unless otherwise approved by the SFC, these Funds (except for the Emerging Markets Local Currency Bond Fund, Euro Bond Fund, Euro Corporate Bond Fund, Euro Short Duration Bond Fund, Fixed Income Global Opportunities Fund, Global Corporate Bond Fund, Global Government Bond Fund, Global Inflation Linked Bond Fund, US Dollar Bond Fund, US Dollar Short Duration Bond Fund and World Bond Fund, ("**Relevant Funds**")) may only use financial derivative instruments ("**FDI**") subject to the limit that their respective net derivative exposures shall not exceed 50% of their respective Net Asset Value.

Investors should note that the Relevant Funds may use FDI for hedging and investment purposes with net derivative exposure more than 100% of their respective Net Asset Value. Please refer to the section headed "**Use of Derivatives**" below for further details.

Prior written notification of not less than 1 month will be given to investors and the Company's Hong Kong offering document will be updated should there be any change in the investment objectives, policy and/or restrictions applicable to the Company.

Notwithstanding anything said in the Prospectus, both the English and Chinese versions of the Prospectus shall contain same information and shall be treated as having the same equal standing in Hong Kong.

**Funds available in Hong Kong**

**Warning:** In relation to the Funds as set out in the Prospectus, only the following Funds are authorised by the SFC as of the date of this Document pursuant to section 104 of the Securities and Futures Ordinance and hence may be offered to the public of Hong Kong:

^ Please note that the Asia Pacific Equity Income Fund, US Government Mortgage Impact Fund, Nutrition Fund, China Innovation Fund, Next Generation Health Care Fund have been terminated with effect from 2 March 2023, 16 October 2025, 14 November 2025, 22 January 2026 and 4 March 2026 respectively. Asian Growth Leaders Fund has been merged into Asian Dragon Fund on 10 July 2026. As such, the Funds are no longer offered to the public in Hong Kong despite they remained authorised by the SFC as of the date of this Document.

1. AI Innovation Fund
2. Asia Pacific Bond Fund
3. Asia Pacific Equity Income Fund^
4. Asian Dragon Fund
5. Asian Growth Leaders Fund^
6. Asian High Yield Bond Fund
7. Asian Multi-Asset Income Fund
8. Asian Tiger Bond Fund
9. China Bond Fund
10. China Fund
11. China Innovation Fund^
12. China Onshore Bond Fund
13. Circular Economy Fund
14. Continental European Flexible Fund
15. Dynamic High Income Fund
16. Dynamic Infrastructure Opportunities Fund
17. Emerging Europe Fund
18. Emerging Markets Bond Fund
19. Emerging Markets Corporate Bond Fund
20. Emerging Markets Equity Income Fund
21. Emerging Markets Ex-China Fund
22. Emerging Markets Fund
23. Emerging Markets Local Currency Bond Fund
24. ESG Multi-Asset Fund
25. Euro Bond Fund
26. Euro Corporate Bond Fund
27. Euro Reserve Fund
28. Euro Short Duration Bond Fund
32. Euro-Markets Fund
29. European Blend Equity Fund
30. European Equity Income Fund
31. European Fund
33. European High Yield Bond Fund
34. European Value Fund
35. FinTech Fund
36. Fixed Income Global Opportunities Fund
37. Future Of Transport Fund
38. Global Allocation Fund

39. Global Bond Income Fund
40. Global Corporate Bond Fund
41. Global Dynamic Equity Fund
42. Global Equity Income Fund
43. Global Government Bond Fund
44. Global High Yield Bond Fund
45. Global Inflation Linked Bond Fund
46. Global Long-Horizon Equity Fund
47. Global Multi-Asset Income Fund
48. Global Unconstrained Equity Fund
49. India Fund
50. Japan Flexible Equity Fund
51. Japan Small & MidCap Opportunities Fund
52. Latin American Fund
53. MyMap Cautious Fund
54. MyMap Growth Fund
55. MyMap Moderate Fund
56. Natural Resources Fund
57. Next Generation Health Care Fund^
58. Next Generation Technology Fund
59. Nutrition Fund^
60. Sustainable Energy Fund
61. Swiss Small & MidCap Opportunities Fund
62. Systematic Asia Pacific Equity High Income Fund
63. Systematic China A-Share Opportunities Fund
64. Systematic Global Equity High Income Fund
65. Systematic Global Income & Growth Fund
66. Systematic Global SmallCap Fund
67. Systematic Nasdaq Equity High Income Fund
68. United Kingdom Fund
69. US Basic Value Fund
70. US Dollar Bond Fund
71. US Dollar High Yield Bond Fund
72. US Dollar Reserve Fund
73. US Dollar Short Duration Bond Fund
74. US Flexible Equity Fund
75. US Government Mortgage Impact Fund^
76. US Growth Fund
77. US Mid-Cap Value Fund
78. World Bond Fund
79. World Energy Fund
80. World Financials Fund
81. World Gold Fund
82. World Healthscience Fund
83. World Mining Fund
84. World Real Estate Securities Fund
85. World Technology Fund

Please note that the Prospectus is a global offering document and therefore also contains information of the following Funds which are not authorised by the SFC as of the date of this Document:

1. Brown to Green Materials Fund
2. China Multi-Asset Fund
3. Climate Transition Multi-Asset Fund
4. Diversified Tactical Fund
5. Emerging Markets Corporate Bond Advanced Fund
6. Emerging Markets Impact Bond Fund
7. Emerging Markets Sustainable Equity Fund
8. ESG Emerging Markets Blended Bond Fund
9. ESG Emerging Markets Bond Fund
10. ESG Emerging Markets Local Currency Bond Fund
11. Euro Flexible Income Bond Fund
12. Euro High Income Fixed Maturity Bond Fund 2028
13. Euro High Income Fixed Maturity Bond Fund 2029
14. Euro High Yield Fixed Maturity Bond Fund 2027
15. Euro High Yield Fixed Maturity Bond Fund 2028
16. Euro Income Fixed Maturity Bond Fund 2029
17. Euro Income Fixed Maturity Bond Fund 2030
18. Euro Income Fixed Maturity Bond Fund 2031 II
19. Euro Income Fixed Maturity Bond Fund 2031
20. Euro Investment Grade Fixed Maturity Bond Fund 2027 (1)
21. Euro Investment Grade Fixed Maturity Bond Fund 2028
22. European Equity Transition Fund
23. European Multi-Asset Income Fund
24. European Sustainable Equity Fund
25. Global Listed Infrastructure Fund
26. Global Securitised Fund
27. Global Smaller Companies Fund
28. Impact Bond Fund
29. MENA Bond Fund
30. Multi-Theme Equity Fund
31. Step Into Equity High Income Fund 2030
32. Sukuk Fund
33. Sustainable Global Allocation Fund
34. Systematic China Environmental Tech Fund
35. Systematic Islamic GCC Equity Fund
36. Systematic Islamic Saudi Arabia Equity Fund
37. Systematic Multi Allocation Credit Fund
38. World Islamic Gold Fund

No offer shall be made to the public of Hong Kong in respect of the above unauthorised Funds. The issue of the Prospectus was authorised by the SFC only in relation to the offer of the above SFC-authorised Funds to the public of Hong Kong. The pre-contractual disclosure "annexes" or "PCDs" (in Appendix H of the Prospectus) for the above unauthorised Funds (as applicable) are excluded and do not form part of the Hong Kong offering document.

Intermediaries should take note of this restriction.

**The Investment Advisers and Sub-Advisers**

The list of Investment Advisers and Sub-Advisers to which the Management Company may delegate its investment management functions is set out in the section headed "**Administrative Organisation – The Investment Advisers and Sub-Advisers**" of the Prospectus. Investors may refer to the following list of Investment Adviser(s) and Sub-Adviser(s) who are eligible to exercise investment discretion on the above SFC-authorised Funds as of the date of this Document:

1. BlackRock Financial Management, Inc.
2. BlackRock Investment Management, LLC
3. BlackRock Investment Management (UK) Limited
4. BlackRock Investment Management (Australia) Limited
5. BlackRock Asset Management North Asia Limited
6. BlackRock Japan Co., Ltd.
7. BlackRock (Singapore) Limited
8. BlackRock Saudi Arabia

The Investment Adviser(s) and Sub-Adviser(s) managing an SFC-authorised Fund may be changed from time to time, without prior notice to the relevant Hong Kong shareholders, provided that such Investment Adviser(s) and Sub-Adviser(s) have already been disclosed in the offering document of the Company. At least one month's notice will be given to Hong Kong shareholders for the appointment of new Investment Adviser or Sub-Adviser if such new Investment Adviser or Sub-Adviser (i) is not currently acting in the relevant role of other SFC-authorised funds and (ii) has not been disclosed in the offering document of the Company. For any removal of Investment Adviser or Sub-Adviser from the aforementioned list of Investment Adviser(s) and Sub-Adviser(s), notice will be given to Hong Kong shareholders as soon as reasonably practicable.

The Management Company shall continue to have ongoing supervision and regular monitoring of the competence of its delegates to ensure that its accountability to investors is not diminished. Although the investment management function of the Management Company may be delegated to the Investment Advisers and Sub-Advisers, its responsibilities and obligations may not be delegated.

Details of the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for a particular SFC-authorised Fund will be listed in the interim report and annual report of the Company and will be available from the Hong Kong Representative upon request.

## USE OF DERIVATIVES

Each of the Funds may use derivatives for hedging, efficient portfolio management and investment purposes. These include swap contracts to adjust interest rate risk, currency derivatives to buy or sell currency risk, covered call options, credit default swaps to buy or sell credit risk and volatility derivatives to adjust volatility risk.

Under Article 11 of UCITS Directive 2007/16/EC, derivatives for efficient portfolio management shall be entered into for one or more of the following aims: (i) reduction of risk, (ii) reduction of cost, or (iii) generation of additional capital or income.

Except for the Relevant Funds, the Funds may only use FDI subject to the limit that their respective net derivative exposures shall not exceed 50% of their respective Net Asset Value. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of FDI can result in a loss significantly greater than the amount invested in the derivative by the Funds. In an adverse situation, if the use of derivatives for hedging and efficient portfolio management becomes ineffective, the Funds may suffer significant losses.

The Relevant Funds may use FDI for hedging and investment purposes with net derivative exposure potentially exceeding 100% of their respective Net Asset Value.

FDI such as government bond futures and interest rate swaps may be used for hedging and mitigating interest rate risk. Foreign exchange forwards and futures may be used to minimise currency exposure. The Relevant Funds may also use FDI such as futures, foreign exchange derivatives, swaps and options for investment purposes but is not limited to a particular strategy regarding the FDI usage.

Please refer to the Prospectus for the risk management measure used by each of the Relevant Funds to monitor and manage its global exposure.

Certain FDI used by the Relevant Funds and the ESG Multi-Asset Fund may be in respect of asset classes not correlated with the underlying securities positions held by the Relevant Funds and the ESG Multi-Asset Fund such as FDI on currencies (or in the case of the Emerging Markets Local Currency Bond Fund, derivatives on currencies not included in the benchmark).

The following Funds may acquire financial derivative instruments for hedging, efficient portfolio management and/or investment purposes subject to the limits set out below:

| | **Net derivative exposure (% of Net Asset Value)** |
|---|---|
| AI Innovation Fund | up to 50% |
| Asia Pacific Bond Fund | up to 50% |
| Asian Dragon Fund | up to 50% |
| Asian Growth Leaders Fund | up to 50% |
| Asian High Yield Bond Fund | up to 50% |
| Asian Multi-Asset Income Fund | up to 50% |
| Asian Tiger Bond Fund | up to 50% |
| China Bond Fund | up to 50% |
| China Fund | up to 50% |
| China Onshore Bond Fund | up to 50% |
| Circular Economy Fund | up to 50% |
| Continental European Flexible Fund | up to 50% |
| Dynamic High Income Fund | up to 50% |
| Dynamic Infrastructure Opportunities Fund | up to 50% |
| Emerging Europe Fund | up to 50% |
| Emerging Markets Bond Fund | up to 50% |
| Emerging Markets Corporate Bond Fund | up to 50% |
| Emerging Markets Equity Income Fund | up to 50% |

| | **Net derivative exposure (% of Net Asset Value)** |
|---|---|
| Emerging Markets Ex-China Fund | up to 50% |
| Emerging Markets Fund | up to 50% |
| Emerging Markets Local Currency Bond Fund | may be more than 100% |
| ESG Multi-Asset Fund | up to 50% |
| Euro Bond Fund | may be more than 100% |
| Euro Corporate Bond Fund | up to 50% |
| Euro-Markets Fund | up to 50% |
| Euro Reserve Fund | up to 50% |
| Euro Short Duration Bond Fund | may be more than 100% |
| European Blend Equity Fund | up to 50% |
| European Equity Income Fund | up to 50% |
| European Fund | up to 50% |
| European High Yield Bond Fund | up to 50% |
| European Value Fund | up to 50% |
| FinTech Fund | up to 50% |
| Fixed Income Global Opportunities Fund | may be more than 100% |
| Future Of Transport Fund | up to 50% |
| Global Allocation Fund | up to 50% |
| Global Bond Income Fund | up to 50% |
| Global Corporate Bond Fund | up to 50% |

| | |
|---|---|
| Global Dynamic Equity Fund | up to 50% |
| Global Equity Income Fund | up to 50% |
| Global Government Bond Fund | may be more than 100% |
| Global High Yield Bond Fund | up to 50% |
| Global Inflation Linked Bond Fund | may be more than 100% |
| Global Long-Horizon Equity Fund | up to 50% |
| Global Multi-Asset Income Fund | up to 50% |
| Global Unconstrained Equity Fund | up to 50% |
| India Fund | up to 50% |
| Japan Flexible Equity Fund | up to 50% |
| Japan Small & MidCap Opportunities Fund | up to 50% |
| Latin American Fund | up to 50% |
| MyMap Cautious Fund | up to 50% |
| MyMap Growth Fund | up to 50% |
| MyMap Moderate Fund | up to 50% |
| Natural Resources Fund | up to 50% |
| Next Generation Technology Fund | up to 50% |
| Sustainable Energy Fund | up to 50% |
| Swiss Small & MidCap Opportunities Fund | up to 50% |
| Systematic Asia Pacific Equity High Income Fund | up to 50% |
| Systematic China A-Share Opportunities Fund | up to 50% |
| Systematic Global Equity High Income Fund | up to 50% |
| Systematic Global Income & Growth Fund | up to 50% |
| Systematic Global SmallCap Fund | up to 50% |
| Systematic Nasdaq Equity High Income Fund | up to 50% |
| United Kingdom Fund | up to 50% |
| US Basic Value Fund | up to 50% |
| US Dollar Bond Fund | may be more than 100% |
| US Dollar High Yield Bond Fund | up to 50% |
| US Dollar Reserve Fund | up to 50% |
| US Dollar Short Duration Bond Fund | up to 50% |
| US Flexible Equity Fund | up to 50% |
| US Growth Fund | up to 50% |
| US Mid-Cap Value Fund | up to 50% |
| World Bond Fund | may be more than 100% |
| World Energy Fund | up to 50% |
| World Financials Fund | up to 50% |
| World Gold Fund | up to 50% |
| World Healthscience Fund | up to 50% |
| World Mining Fund | up to 50% |
| World Real Estate Securities Fund | up to 50% |
| World Technology Fund | up to 50% |

Please refer to the sub-section headed "**FDI Risks applicable to the Relevant Funds and the ESG Multi-Asset Fund**" under the section headed "**Additional Risk Considerations**" below for the risks associated with the use of FDI extensively for investment purposes.

## ADDITIONAL INFORMATION ON SPECIFIC FUNDS

**All Funds except for Reserve Funds[1], Circular Economy Fund, MyMap Cautious Fund, MyMap Growth Fund and MyMap Moderate Fund**

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

**Funds with Asset Allocation Strategy**

The performance of these Funds with asset allocation strategy is partially dependent on the success of the asset allocation strategy employed by these Funds. There is no assurance that the strategy employed by these Funds will be successful and therefore the investment objectives of these Funds may not be achieved. Please refer to the "**Investment Objectives and Policies**" section of the Prospectus for more information.

**AI Innovation Fund**

The AI Innovation Fund seeks to maximise total return and capital growth by investing globally at least 70% of the Fund's total assets in the equity securities of companies whose predominant economic activity is the advancement, development and use of artificial intelligence ("AI") technology. AI technology refers to technology that empower computer systems to perform tasks typically associated with human intelligence, including but not limited to machine learning, robotics, vision or language processing and information handling. The definition of AI technology may be expanded or evolve over time.

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

**Asia Pacific Bond Fund**

The Asia Pacific Bond Fund seeks to maximise income, without sacrificing long term capital growth, and seeks to invest in a manner consistent with the principles of ESG focused investing.

The Fund seeks to achieve, relative to the iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Capped Index (the "ESG Reporting Index", which represents the Fund's investment universe and tracks US dollar-denominated fixed income securities issued by issuers in the Asia Pacific region excluding Greater China), a weighted average absolute carbon emission contribution (scope 1 and 2 emission, excluding green and sustainable bonds) that is 30% lower than the ESG Reporting Index. The Fund will allocate a higher exposure to:

(i) lower carbon emitting issuers as measured by third party data (such as Morningstar Sustainalytics, MSCI ESG Research and S&P Global TruCost);

(ii) issuers positioned to benefit from the low carbon transition; and

[1] For the avoidance of doubt, the Reserve Funds currently have no intention to invest in debt instruments with loss-absorption features.

(iii) green and sustainable bonds which are defined by their corresponding proprietary methodology guided by the International Capital Markets Association Green Bond and Sustainable Bond Principles respectively.

For the avoidance of doubt, the Fund's allocation to green and sustainable bonds is not expected to be a primary investment of the Fund.

The Fund will apply the BlackRock EMEA Baseline Screens. The assessment of the level of involvement in each activity 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 Fund may gain limited exposure to securities for which the exclusionary screens described above may not be applicable, or to issuers with exposures that do not meet the criteria of the exclusionary screens through, including but not limited to, derivatives, cash and near cash instruments and shares or units of collective investment schemes and debt securities issued by governments and agencies worldwide.

Subject to applicable regulatory restrictions and internal guidelines (including the ESG policy of the Fund), the remaining 30% of the Fund's total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as debt and other securities including money market instruments (i.e. debt securities with short-term maturities), deposits (i.e. cash) and units in collective investment schemes (i.e. other investment funds, which may be managed by one or more affiliates of the BlackRock Group) consistent with the Fund's objective, provided that no more than 10% of the Fund's total assets will be invested in equities.

The Fund may employ currency management and hedging techniques which may include hedging the currency exposure on the Fund's portfolio.

**Asian High Yield Bond Fund**

The Asian High Yield Bond Fund seeks to maximise total return by investing at least 70% of its total assets in high yield (i.e. non-investment grade or unrated) fixed income securities denominated in various currencies and issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Asia. These may include the full range of fixed income securities such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit, commercial paper and contingent convertible bonds.

The Fund has no particular industry/sector, currency of denomination or market capitalization focus regarding the underlying bonds. It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade or unrated.

Subject to applicable regulatory restrictions and internal guidelines and consistency with the Fund's objective, the remainder of the Fund's total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equities and investment grade debt securities, provided that the Fund's investment in equities will be less than 30% of its Net Asset Value.

The proportion of the Fund's Net Asset Value that is expected to be subject to securities lending transactions from time to time ranges from 0% to 40% and will be consistent with the overall investment policy of the Fund.

**Asian Multi-Asset Income Fund**

The Fund invests in the full spectrum of permitted investments including equities, equity-related securities, fixed income securities (including non-investment grade or unrated), collective investment schemes ("**CIS**"), cash, deposits and money market instruments.

The Asian Multi-Asset Income Fund may invest up to 80% of its Net Asset Value in equities. In respect of the investment in equities, the Fund has no particular focus in terms of industry/sector or market capitalization.

The Fund may also invest up to 80% in fixed income securities. These may include the full range of fixed income securities such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as contingent convertible bonds.

The Fund adopts a flexible approach to asset allocation, with a bias towards income-generating securities (including fixed income transferable securities and dividend-paying stocks). The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation.

Investors should note that, notwithstanding the disclosure in the relevant sub-section headed "Benchmark use" of the Prospectus, the Index (as defined in the Prospectus) should not be used to compare the performance of the Fund.

**China Bond Fund**

The China Bond Fund seeks to maximise total return by investing at least 70% of the Fund's total assets in fixed income transferable securities denominated in RMB or other non-Chinese domestic currencies (i.e. non-RMB currencies) issued by governments and government agencies of the PRC, or entities exercising the predominant part of their economic activity in the PRC through recognised mechanisms including but not limited to the Chinese Interbank Bond Market, the exchange bond market, quota system and/or through onshore or offshore issuances and/or any future developed channels.

The Fund may invest without limit in the PRC through any of the following individual means: (1) the QFI regime and (2) in the Chinese Interbank Bond Market via (i) the Foreign Access Regime and/or (ii) Bond Connect and/or (iii) other means as may be permitted by the relevant regulations from time to time.

The Fund may invest in the full spectrum of permitted fixed income transferable securities and fixed income related securities, including urban investment bonds (城投債) (up to 100% of total assets) and non-investment grade** (limited to 50% of total assets). Currency exposure is flexibly managed.

Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as debt and other securities, subject to the restriction that no more than 10% of the Fund's assets will be invested in equities.

It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade.

The Fund's exposure to contingent convertible bonds is limited to 20% of its total assets.

**China Onshore Bond Fund**
The China Onshore Bond Fund seeks to maximise total return. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in RMB issued by entities exercising the predominant part of their economic activity and issued onshore in the PRC (through recognised mechanisms including (but not limited to) the Chinese Interbank Bond Market, the exchange bond market, quota system and/or through onshore issuances and/or any future developed channels).

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

The Fund may invest without limit in the PRC through any of the following individual means: (1) the QFI regime and (2) in the Chinese Interbank Bond Market via (i) the Foreign Access Regime and/or (ii) Bond Connect and/or (iii) other means as may be permitted by the relevant regulations from time to time. The Fund may invest in the full spectrum of permitted fixed income transferable securities and fixed income related securities, including urban investment bonds (城投債) (up to 100% of total assets, expected exposure to be 20% to 50% of total assets) and non-investment grade (limited to no more than 50% of total assets).

It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade.

The Fund's exposure to contingent convertible bonds is limited to 20% of its total assets.

**Circular Economy Fund**
The Circular Economy Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective based on the Investment Adviser's evaluation with respect to the ESG factors as relevantly set out in the sub-section headed "Investment Objectives and Policies of the Funds" of the Prospectus) for each relevant sector of activities (without excluding any sector of activities) and the weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI All Countries World Index (MSCI ACWI) after eliminating at least 20% of the least well-rated securities from MSCI ACWI*. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be up to 20% of its Net Asset Value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

* The weighted average ESG rating is calculated with reference to third party ESG rating.

**Dynamic High Income Fund**
The Dynamic High Income Fund follows a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Dynamic High Income Fund will seek diversified income sources across a variety of asset classes, investing at least 70% of the Fund's assets in income producing assets such as fixed income securities (which may from time to time comprise up to 100% of the Fund's Net Asset Value and include the full range of fixed income securities, which may be fixed and floating and may be investment grade, non-investment grade or unrated, such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit and commercial paper, issued by companies, governments, government agencies or multi-national/supra-national organisations, as well as asset-backed securities, mortgage-backed securities and contingent convertible bonds), equities (which may from time to time comprise up to 100% of the Fund's Net Asset Value and include the full range of equity securities, such as preference shares and equity-related securities), units of CIS, covered call options and cash deposits.

The Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments. The Fund adopts a flexible approach to asset allocation and provides a diversified multi-asset portfolio. The Fund takes into account macro-economic, country and sector views in determining its equity allocations and macro-economic, credit and interest rate views in determining its fixed income allocation. The Fund has no particular focus in terms of industry/sector, geographical region or market capitalisation in the selection of any of its investments.

It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade or unrated.

**Dynamic Infrastructure Opportunities Fund**
The Dynamic Infrastructure Opportunities Fund seeks to maximise long term total return by investing at least 70% of its total assets in the equity securities of companies whose predominant economic activity is within the global infrastructure sector.

The Fund will invest in line with the principles of the transition theme as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). The Fund will invest at least 70% of its assets in equities or equity-related securities of infrastructure companies, that contribute to the advancement of the transition theme in any of these three categories and qualify under BlackRock's 'Transition Assessment' methodology (as detailed below):

- **Improvers**: companies demonstrating positive progress or commitment to reducing the carbon emissions intensity of their operations;
- **Peer Group Leaders**: companies which are already considered within their respective sectors as leaders in carbon reduction; and
- **Solutions & Key Inputs**: companies providing key inputs or finished goods and services to support the real world decarbonization.

("**Transition Issuers**")

In normal market conditions the Fund will invest in a relatively concentrated portfolio of equity securities of companies with large, medium and small market capitalisation across a broad range of infrastructure sub-sectors including (without limitation) utilities, midstream transports, social infrastructure and digital infrastructure.

In order to qualify under BlackRock's 'Transition Assessment' methodology, Transition Issuers must demonstrate they are on a clear and measurable transition path, either because the issuer (1) provides products and services to facilitate low carbon transition in the broader economy; or (2) is on a low carbon transition itself. Such qualifying investments must meet one or more of the following criteria.

(1) Issuers which provide products and services to facilitate low carbon transition:

(i) Investee companies which earn at least 20% of their annual revenues from activities with positive environmental impact and / or align with climate mitigation and adaption (such as issuers that gain sufficient revenue from the manufacture of solar panels, solar cells, generation of power from solar sources, or the production / mining of metal required in such process). Qualifying revenue streams are based on data vendor methodologies and / or BlackRock research for sustainable revenue identification.

(ii) Investments in companies with business models which are well positioned for or potential leaders in the low carbon transition (such as renewable energy producers, software enablers for transition).

(2) Issuers on a low carbon transition:

(i) Investee companies decarbonising their operations which have established climate targets and commitments using data from the Science Based Targets Initiative (SBTi); and/or investee companies which have been determined by the Investment Adviser as credible carbon reducers and are expected to demonstrate significant progress towards decarbonizing their operations; and/or investee companies which have quantitative target identification data from data vendors, where such targets and commitments are monitored by accessing company data supplied by data vendors (such as companies at different stages of a Net Zero business plan with a validated target to improve their carbon emissions intensity).

(ii) Investee companies otherwise transitioning their business model and operations and identified through the use of well-established vendor data models as a company with implied temperature outcomes consistent with a clear and measurable path to transition (such as companies with lower implied temperature measures due to their projected trend of decarbonisation or current lower carbon economic activities).

Using this methodology, Transition Issuers are assessed against criteria which may include, but are not limited to: Science Based Targets, progress against existing targets, Implied Temperature Rise or revenues associated with EU Taxonomy.

The Fund invests a minimum of 20% of its total assets in sustainable investments as defined by the Investment Adviser having regard to applicable law and regulation and which are assessed as doing no significant harm.

The Fund will also apply the EU Climate Transition Exclusions (as defined in the Prospectus). These 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 United Nations Global Compact principles or the Organisation for Economic Cooperation and Development's Guidelines for Multinational Enterprises.

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

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

**Emerging Markets Ex-China Fund**

Emerging Markets Ex-China Fund seeks to maximise total return through a combination of capital growth and income on Fund assets by investing globally at least 80% of the Fund's total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets, excluding China.

Subject to applicable regulatory restrictions and internal guidelines, the remaining 20% of the Fund's total assets may be invested in financial

instruments of companies or issuers of any size in any sector of the economy globally such as equity securities consistent with the Fund's objective and cash.

The proportion of the Fund's net asset value that is expected to be subject to securities lending transactions from time to time ranges from 0% to 40% and will be consistent with the overall investment policy of the Fund.

**ESG Multi-Asset Fund**
The ESG Multi-Asset Fund will seek to deliver a weighted average ESG rating higher than the ESG rating of the 25% MSCI World Index, 25% MSCI World Index hedged to EUR, and 50% Bloomberg Global Aggregate Bond Index hedged to EUR (the "Index", as a fair representation of the Fund's investment universe) after eliminating at least 25% of the least well-rated securities from the Index, and a lower carbon emissions intensity score than its Index. Such ESG rating will be calculated as the total of each issuer's ESG rating (where applicable), weighted by its market value. The calculation with respect to both the Fund and the Index will exclude any issuer without ESG rating and be rebased accordingly.

The Fund may invest up to 80% of its assets in equities; up to 80% in fixed income; up to 20% in cash and cash equivalents; and up to 20% in alternative investments (including hedge funds and/or commodities). The Fund adopts a flexible approach to asset allocation, driven by proprietary macroeconomic research on equity, bond, currency markets and alternative investments. The Investment Adviser compares current valuations to its own analysis of the economic cycle to determine whether its estimated returns are more or less optimistic than the consensus. In order to generate returns in a risk-controlled manner, the Investment Adviser monitors factors outside its basic cycle-valuation framework, including investor sentiment and positioning.

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

**European High Yield Bond Fund**
The European High Yield Bond Fund invests at least 70% of its total assets in high yield (i.e. non-investment grade or unrated) fixed income securities denominated in various currencies and issued by governments and government agencies of, and companies and supranationals domiciled in, or the main business of which is in, Europe. These may include the full range of fixed income securities such as bonds, bills and notes of all maturities, money market instruments, certificates of deposit, commercial paper and contingent convertible bonds.

The Fund has no particular industry/sector, currency of denomination or market capitalization focus regarding the underlying bonds. It is not anticipated that the Fund will invest more than 10% of its Net Asset Value in debt securities issued and/or guaranteed by any single sovereign currently rated non-investment grade or unrated.

Subject to applicable regulatory restrictions and internal guidelines and consistency with the Fund's objective, the remainder of the Fund's total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equities and investment grade debt securities, provided that no more than 10% of the Fund's assets will be invested in equities.
The proportion of the Fund's Net Asset Value that is expected to be subject to securities lending transactions from time to time ranges from 0% to 40% and will be consistent with the overall investment policy of the Fund.

**FinTech Fund**
The FinTech Fund will not invest directly in cryptocurrency. However, it may invest in companies that are involved in providing cryptocurrency-related products or services such as trading platforms or exchanges.

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

**Future Of Transport Fund**
In normal market conditions the Future of Transport Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation that are involved in activities including the following: raw materials (e.g. metals and battery materials), components and computer systems (e.g. batteries and cabling), technology (e.g. vehicle sensor technology) and infrastructure (e.g. vehicle battery charging stations). The assessment of the level of engagement in each activity 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 companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with renewable energy and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective based on the Investment Adviser's evaluation with respect to the above-mentioned ESG factors) for each relevant sector of activities (without excluding any sector of activities) and the weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI All Countries World Index (MSCI ACWI) after eliminating at least 20% of the least well-rated securities from MSCI ACWI*. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

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

*The weighted average ESG rating is calculated with reference to third party ESG rating.

**Global Allocation Fund**
The Global Allocation Fund may invest up to 100% of its assets in equities; and up to 100% in fixed income and money market instruments. The Fund adopts a fully managed investment policy, varying from time to time the combination of United States and non-US equity securities, debt and money market securities, both with respect to types of securities and markets, in response to changing market conditions and economic trends. In deciding between equity and debt investments, the Fund looks at a number of factors, such as the relative opportunity for capital appreciation, capital recovery risk, dividend yields and the level of interest rates paid on debt securities of different maturities.

**Global Dynamic Equity Fund**
The Global Dynamic Equity Fund seeks to maximise total return by investing at least 70% of the Fund's total assets in stocks of companies worldwide.

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

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

**Global Government Bond Fund**
As part of its investment objective the Global Government Bond Fund may invest up to 30% of its total assets in asset-backed securities and mortgage-backed securities ("**MBS**") whether investment grade or not.

**Global Multi-Asset Income Fund**
The Global Multi-Asset Income Fund may invest up to 80% in equities; up to 80% in fixed income; up to 20% in alternative investments (including other CIS); up to 20% in cash and cash equivalents; and up to 15% in commodities. The Fund uses fundamental analysis within flexible asset allocation approach. Economic/earnings cycles and valuations are the main drivers behind asset class returns over the medium-term, although other factors, including investor sentiment, influence investment decisions particularly over short periods. The Fund compares income opportunities and expected returns across asset classes in order to target a consistent level of income and to balance this with the potential for capital appreciation over the long-term.

**Global Unconstrained Equity Fund**
The Global Unconstrained Equity Fund seeks to achieve long term capital growth by investing at least 80% of its total assets in equity securities and equity-related securities (namely American Depositary Receipts ("**ADRs**") and Global Depositary Receipts ("**GDRs**")) of companies domiciled in, or exercising a significant part of their economic activity in, global developed markets.

Investment decisions are based on company-specific research to identify and select equity securities that, in the opinion of the Investment Adviser, have a viable competitive advantage and the potential to produce attractive long-term capital growth. The Fund has an unconstrained investment style (i.e. it will not take a benchmark index into account when selecting the Fund's investments) and its portfolio is expected to be concentrated (i.e. it is expected to hold relatively fewer stocks in larger weightings in comparison to other funds and focused in certain markets (e.g. US and Europe)), but there is no guarantee that this will always be the case.

Subject to applicable regulatory restrictions and internal guidelines, although most of the Fund's investments will be in companies located in developed markets globally, the remaining 20% of the Fund's total assets may also invest in:

- emerging markets, namely equity securities and equity related securities (namely ADRs and GDRs) of companies domiciled in, or exercising a significant part of their economic activity in, global emerging markets;
- cash and/or cash equivalents (such as term deposits and bank certificates), liquid government debt instruments and money market instruments (including certificates of deposit, commercial paper and bankers acceptances); and
- other CIS, including exchange-traded funds (where the objectives of such CIS are consistent with the Fund's objective or for efficiently managing cash holdings and/or collateral).

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

**MyMap Cautious Fund**
MyMap Cautious Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities (including urban investment bonds (城投債) (not expected to exceed 15% of the Net Asset Value of the Fund) and non-investment grade or unrated), alternative assets (for up to 10% of the Net Asset Value of the Fund, such as commodities), cash and near-cash instruments. Exposure to these asset classes will be achieved through investment of up to 100% of the Fund's net asset value in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including, but not limited to, exchange traded funds ("**ETFs**") and index funds, managed by one or more affiliates of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

Given the cautious risk profile of the Fund, under normal market conditions the Fund will seek a lower exposure to equity securities (typically up to 20% of the Fund's net asset value) compared to a fund with a higher risk profile which would normally seek to have a lower exposure to fixed income securities. The percentage of exposures is indicative only and is based on normal market conditions. It can vary from time to time for meeting the risk target of the Fund.

The Fund will not be subject to any industry sector or market capitalisation limits in respect of the investments held by its underlying CIS.

The maximum exposure to each CIS is limited to 20% of the Fund's total assets. Direct investment by the Fund is expected to be minimal.

The Fund may invest in underlying schemes CIS of which the net derivative exposure is more than 50% of the underlying schemes' CIS' net asset value. The Fund will only invest in underlying CIS authorised by the SFC[2] or in eligible schemes domiciled in Luxembourg, Ireland and/or the United Kingdom (whether authorised by the SFC or not).

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be up to 20% of its Net Asset Value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Fund may use derivatives (e.g. index futures and foreign exchange forwards) for hedging, risk mitigation and/or investment purposes.

**MyMap Growth Fund**
MyMap Growth Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities, alternative assets (for up to 10% of the Net Asset Value of the Fund, such as commodities), cash and near-cash instruments. Exposure to these asset classes will be achieved through investment of up to 100% of the Fund's net asset value in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including, but not limited to, ETFs and index funds, managed by one or more affiliates of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

Given the growth risk profile of the Fund, under normal market conditions the Fund will seek a higher exposure to equity securities (typically up to 80% of the Fund's net asset value), compared to a fund with a lower risk profile which would normally seek to have a higher exposure to fixed income securities. The percentage of exposures is indicative only and is based on normal market conditions. It can vary from time to time for meeting the risk target of the Fund

The Fund will not be subject to any industry sector or market capitalisation limits in respect of the investments held by its underlying CIS.

The maximum exposure to each CIS is limited to 20% of the Fund's total assets. Direct investment by the Fund is expected to be minimal.

The Fund may invest in underlying schemes CIS of which the net derivative exposure is more than 50% of the underlying schemes' CIS' net asset value. The Fund will only invest in underlying CIS authorised by the SFC[2] or in eligible schemes domiciled in Luxembourg, Ireland and/or the United Kingdom (whether authorised by the SFC or not).

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be up to 20% of its Net Asset Value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Fund may use derivatives (e.g. index futures and foreign exchange forwards) for hedging, risk mitigation and/or investment purposes.

**MyMap Moderate Fund**
MyMap Moderate Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities (including urban investment bonds (城投債) (not expected to exceed 15% of the Net Asset Value of the Fund) and non-investment grade or unrated), alternative assets (for up to 10% of the Net Asset Value of the Fund, such as commodities), cash and near-cash instruments. Exposure to these asset classes will be achieved through investment of up to 100% of the Fund's net asset value in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including, but not limited to, ETFs and index funds, managed by one or more affiliates of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

Given the moderate risk profile of the Fund, under normal market conditions the Fund will seek a higher exposure to equity securities (typically up to 60% of the Fund's net asset value) compared to a fund with a lower risk profile which would normally seek to have a higher exposure to fixed income securities. The percentage of exposures is indicative only and is based on normal market conditions. It can vary from time to time for meeting the risk target of the Fund.

The Fund will not be subject to any industry sector or market capitalisation limits in respect of the investments held by its underlying CIS.

The maximum exposure to each CIS is limited to 20% of the Fund's total assets. Direct investment by the Fund is expected to be minimal.

The Fund may invest in underlying schemes CIS of which the net derivative exposure is more than 50% of the underlying schemes' CIS' net asset value. The Fund will only invest in underlying CIS authorised by the SFC[2] or in eligible schemes domiciled in Luxembourg, Ireland and/or the United Kingdom (whether authorised by the SFC or not).

[2] SFC authorisation is not a recommendation or endorsement of a fund nor does it guarantee the commercial merits of a fund or its performance. It does not mean the fund is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be up to 20% of its Net Asset Value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Fund may use derivatives (e.g. index futures and foreign exchange forwards) for hedging, risk mitigation and/or investment purposes.

**Next Generation Technology Fund**
Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities consistent with the Fund's objective and cash.

**Sustainable Energy Fund**
The Sustainable Energy Fund seeks to maximise total return. The Fund invests globally at least 70% of the Fund's total assets in the equity securities of sustainable energy companies. Sustainable energy companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The Fund will not invest in companies that are classified in the following industries (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas. The assessment of the level of engagement in each activity or industry 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 companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with alternative energy and energy technologies and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective based on the Investment Adviser's evaluation with respect to the above-mentioned ESG factors) for each relevant sector of activities (without excluding any sector of activities) and the weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI All Countries World Index (MSCI ACWI) after eliminating at least 20% of the least well-rated securities from MSCI ACWI*. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

* The weighted average ESG rating is calculated with reference to third party ESG rating.

The Investment Adviser believes that the Fund's investment policy is broadly consistent with SDG7 and SDG13 of the United Nations Sustainable Development Goals (SDG), though the SDGs do not form part of the investment selection criterion or objective of the Fund.

In assessing whether a security or issuer is a sustainable energy company, the Investment Adviser will take into account a range of data sources, including but not limited to proprietary and purchased research, external ESG ratings, and engagement with the issuers.

**Systematic Asia Pacific Equity High Income Fund**
The Systematic Asia Pacific Equity High Income Fund seeks to generate a high level of income and provide capital growth by investing at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Asia Pacific.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to security selection. This means that the models will, including but not limited to, utilize artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns and dividend income against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's income target and risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return and a high level of income.

The Fund may also invest 30% or more of its total assets in emerging markets.

Subject to applicable regulatory restrictions and internal guidelines, the Fund may, on an opportunistic basis, in response to evolving market conditions, or for liquidity management purposes, invest the remaining portion of the portfolio in the broad range of permitted assets which may not form part of the primary investment of the Fund, including (without limitation) fixed-income transferable securities, equities, equity-related instruments, units of collective investment schemes, cash, deposits and money market instruments.

The Fund may adopt covered call strategy to generate additional income. This involves the Fund gaining option premiums by selling call options on equities or equity indices that have a high correlation to the equity exposures of the Fund, which in turn gives the option purchasers the right, but not the obligation, to purchase the referenced equities or equity indices in the future at a pre-determined price.

**Systematic China A-Share Opportunities Fund**
The Systematic China A-Share Opportunities Fund may invest up to 100% of its Net Asset Value in the PRC via the Stock Connect and the QFI regime.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that the models will utilize, including but not limited to, artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's target risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return.

Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities and cash. As the Fund is an equity fund, it does not anticipate investing more than 10% of its Net Asset Value in debt securities.

**Systematic Global Equity High Income Fund**
In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that the models will utilize, including but not limited to, artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns and dividend income against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's income target and risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return and a high level of income.

The Fund may adopt covered call strategy to generate additional income. This involves the Fund gaining option premiums by selling call options on equities or equity indices that have a high correlation to the equity exposures of the Fund, which in turn gives the option purchasers the right, but not the obligation, to purchase the referenced equities or equity indices in the future at a pre-determined price.

**Systematic Global Income & Growth Fund**
The Systematic Global Income & Growth Fund will seek to achieve its investment objective by investing globally, directly and indirectly, (including via investing up to 100% of the Fund's Net Asset Value in units of collective investment schemes ("**CIS**")), in the full spectrum of permitted investments including on average, typically two thirds of its total assets in equities and one third of its total assets in fixed income transferable securities (also known as debt securities which may include the Fund investing up to 20% of its total assets in some high yield fixed income transferable securities), as well as investing in cash, deposits and money market instruments.

The Fund may invest in underlying CIS of which the net derivative exposure is more than 50% of the underlying CIS' Net Asset Value. The Fund will only invest in underlying CIS authorised by the SFC[2] or in eligible schemes domiciled in Luxembourg, Ireland and/or the United Kingdom (whether authorised by the SFC or not). It is expected that the underlying CIS would be actively managed funds managed by one or more affiliates of the BlackRock Group.

The Investment Adviser intends the Fund to have a lower carbon emissions intensity score (measured by the estimated greenhouse gas (scope 1 and scope 2) emissions per $1 million of sales revenue across the Fund's holdings) by at least 30% relative to a composite benchmark comprising 33.3% MSCI World Minimum Volatility Index, 33.3% MSCI All Country World Index, 16.7% BBG Global Aggregate Corporate Index and 16.7% BBG Global High Yield Corp ex Emerging Markets Index Hedged in USD (the "**Index**") (which are representative indices illustrating the Fund's intended exposures to equity and fixed income securities as stated above).

The Investment Adviser will also create a portfolio that seeks to deliver a superior ESG outcome versus the Index where the weighted average ESG score of the Fund will be higher than that of the Index. Such ESG score will be calculated as the total of each issuer's ESG score (looked through and aggregated at the underlying issuer level for investments in the underlying CIS), weighted by its market value. The calculation with respect to both the Fund and the Index will exclude any issuer without ESG score and be rebased accordingly.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to security selection subject to the ESG policy described below. This means that the models will utilize, including but not limited to, artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's target risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return.

The Fund will apply the BlackRock EMEA Baseline Screens.

The assessment of the level of involvement in each activity 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 quantitative models will then evaluate, select and allocate to securities of the remaining companies (i.e. those companies which have not yet been excluded from investment by the BlackRock EMEA Baseline Screens) based on their ESG attributes (e.g. carbon emissions, employee diversity, social policies and carbon efficiency) and on forecasts of returns (including ESG return drivers, e.g. risk mitigation, human capital, societal impact and environmental transition), risk and transaction costs, subject to the investment constraints which optimize the portfolio so that:

(a) the weighted average ESG score and carbon emissions intensity score targets as described above are achieved; and

(b) the Fund invests at least 20% of its net asset value in sustainable investments as defined by the Investment Adviser having regard to applicable law and regulation and which are assessed as doing no significant harm.

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

The Fund may gain limited exposure to securities for which the exclusionary screens described above may not be applicable, or to issuers with exposures that do not meet the criteria of exclusionary screens through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and debt securities issued by governments and agencies worldwide. Where applicable, these investments would be subject to assessment on the associated ESG risks and opportunities.

The Fund may adopt covered call strategy to generate additional income. This involves the Fund gaining option premiums by selling call options on equities or equity indices that have a high correlation to the equity exposures of the Fund, which in turn gives the option purchasers

the right, but not the obligation, to purchase the referenced equities or equity indices in the future at a pre-determined price.

**Systematic Global SmallCap Fund**
The Systematic Global SmallCap Fund seeks to maximise total return.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that the models will utilize, including but not limited to, artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's target risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return.

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

**Systematic Nasdaq Equity High Income Fund**
The Systematic Nasdaq Equity High Income Fund seeks to generate a high level of income and provide capital growth by investing at least 70% of its total assets in the equity securities of companies that are part of the Nasdaq 100 Index ("Index").*

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models designed and built by the Investment Adviser in order to achieve a systematic (i.e. rule based) approach to security selection. This means that the models will utilize, including but not limited to, artificial intelligence and machine learning tools to analyse various data sources to predict the securities' contribution to portfolio returns and dividend income against their risk and transaction cost forecasts, to optimize the allocation of securities within the Fund's income target and risk limits, e.g. the maximum position overweight/underweight and portfolio-level volatility, with the aim of achieving the highest risk-adjusted return and a high level of income.

Subject to applicable regulatory restrictions and internal guidelines, the Fund may, on an opportunistic basis, in response to evolving market conditions, or for liquidity management purposes, invest the remaining portion of the portfolio in the broad range of permitted assets which may not form part of the Index, including (without limitation) fixed-income transferable securities, equities, equity-related instruments, units of collective investment schemes, cash, deposits and money market instruments.

The Fund may adopt covered call strategy to generate additional income. This involves the Fund gaining option premiums by selling call options on equities or equity indices that have a high correlation to the equity exposures of the Fund, which in turn gives the option purchasers the right, but not the obligation, to purchase the referenced equities or equity indices in the future at a pre-determined price.

Although the Fund will invest primarily in the equity securities of companies that are part of the Index, the Fund is not an index-tracking fund and is actively managed, and the Investment Adviser has discretion to select the Fund's investments.

** The Index is a modified market capitalisation weighted index, whereby the weights of securities constituting the Index ("Index Securities") are based on their market capitalisations, but with certain rules capping the weights of the Index Securities. It includes 100 of the largest US and international non-financial companies listed on the Nasdaq based on market capitalisation, and reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology, and does not contain securities of financial companies.*

**US Dollar Reserve Fund and Euro Reserve Fund**
The US Dollar Reserve Fund and Euro Reserve Fund (collectively, the "**Reserve Funds**") seek to offer returns in line with money market rates consistent with preservation of capital and liquidity. However, investors should note that these Funds do not provide any guarantees of return and negative returns may be generated under certain circumstances. The purchase of Shares in the Reserve Funds is not the same as placing funds on deposit with a bank or deposit-taking company, the Reserve Funds have no obligation to redeem the Shares at the subscription value and they are not subject to the supervision of the Hong Kong Monetary Authority.

The Reserve Funds do not invest in any synthetic asset backed securities (which are securities whose income is derived from financial derivative instruments on a pool of reference assets).

**World Bond Fund**
The World Bond Fund seeks to deliver a superior ESG profile versus the investment universe (as represented by a composite benchmark comprising Bloomberg Global Aggregate Bond Index USD Hedged (75%), JP Morgan Emerging Markets Bond Index Global Diversified Index (15%) and Bloomberg US High Yield 2% Constrained Index (10%), the "**Index**") through a higher exposure to ESG outperformers and a lower exposure to ESG laggards based on the externalities of the securities (as further described below in the ESG policy).

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

- All securities are evaluated and classified under a bottom-up approach according to the extent to which they are associated with positive or negative externalities, that is the intended or unintended benefits or costs to the environment and society from action(s) undertaken by the issuer of such securities. The evaluation may include both qualitative and quantitative thresholds and vary for different types of fixed income transferable securities as determined by the Investment Adviser from time to time, and are based on external ESG data points, proprietary model, local intelligence and on engagement undertaken during issuer dialogue.

- In particular, the Investment Adviser will seek to have higher exposure than the Index and invest at least 20% of the Fund's net asset value in sustainable investments as defined by the Investment Adviser having regard to applicable laws and regulations and which are assessed as doing no significant harm and associated with "positive externalities" (the "**PEXT Investments**", e.g. lower

carbon emitting issuers and issuers with positive ESG credentials). This includes, but not limited to, investing in issuers who have set specific climate transition targets (e.g. Science Based Targets to Net Zero, alignment to Paris Pledges per the Transition Pathway Initiative) and are considered to have positive climate impact and at least 10% of the Fund's net asset value in "green bonds" (as defined by the Investment Adviser's proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles).

- The Investment Adviser will also seek to exclude investments that are deemed to have associated negative externalities (the "**NEXT Investments**", e.g. higher carbon emitters, issuers with certain controversial business practices (e.g. the ownership or operation of gambling related activities or facilities, and production of adult entertainment materials), and issuers with negative ESG credentials). This includes the Fund applying the BlackRock EMEA Baseline Screens, which means the Investment Adviser will seek to exclude direct investment (as applicable) in corporate issuers which, in the opinion of the Investment Adviser, have exposure to, or ties with, certain activities as defined in the Prospectus.

- In comparison with the Index, the total of the higher exposure to PEXT Investments and lower exposure to NEXT Investments of the Fund will be at least 20% in market value.

- For issuers or securities where the Investment Adviser cannot determine either a clear positive or clear negative externality, through for example a lack of disclosure by the issuer, the Investment Adviser will determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials, reporting frameworks and disclosures.

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

**World Real Estate Securities Fund**
The World Real Estate Securities Fund invests globally at least 70% of its total assets in stocks of companies whose predominant economic activity is in the real estate sector. This may include residential and/or commercial real estate focused companies as well as real estate operating companies and real estate holding companies (for example, listed real estate investment trusts). The Fund's investments will be unrestricted in terms of market capitalisation or geographical region and the Fund may invest more than 30% of its Net Asset Value in stocks of companies listed in the United States.

Subject to applicable regulatory restrictions and internal guidelines, the remaining 30% may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally such as equity securities and cash.

The Fund is not authorised by the SFC under the SFC's Code on Real Estate Investment Trusts but is authorised under the Code on Unit Trusts and Mutual Funds. SFC authorisation is not a recommendation or endorsement of a product nor does it guarantee the commercial merits of a product or its performance. It does not mean the product is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.

**QFI Investments**
In respect of the QFI Access Funds, the Depositary has put in place proper arrangements to ensure that:

i. the Depositary takes into its custody or under its control the assets of the QFI Access Funds, including onshore PRC assets which will be maintained by the QFI Custodian via the securities account(s) with the relevant depositories and any assets deposited in the cash account(s) with the QFI Custodian, and holds the same in trust for the Shareholders;

ii. cash and registrable assets of the QFI Access Funds, including assets deposited in the securities account(s) with the relevant depositories and cash of the QFI Access Funds deposited in the cash account(s) with or otherwise held by the QFI Custodian, are registered in the name of or held to the order of the Depositary; and

iii. the QFI Custodian will look to the Depositary (directly or indirectly) for instructions and solely act in accordance with the Depositary's instructions, save as otherwise required under applicable regulations.

**CIBM Investments**
For the purpose of this section, "**Onshore Settlement Agent**" means HSBC Bank (China) Company Limited, or such other person appointed as an onshore settlement agent of the relevant CIBM Fund.

In respect of the CIBM Funds, the Depositary has put in place proper arrangements to ensure that:

i. the Depositary takes into its custody or under its control the assets of the CIBM Funds, including onshore PRC assets deposited in the bond account(s) and cash of the CIBM Funds deposited in the dedicated cash account(s) or RMB special deposit account with or otherwise held by China Central Depository & Clearing Co., Ltd ("**CDCC**") and Shanghai Clearing House ("**SHCH**") or the Onshore Settlement Agent, and holds the same in trust for the Shareholders;

ii. cash and registrable assets of the CIBM Funds, including assets deposited in the bond account(s) and cash of the CIBM Funds deposited in the dedicated cash account(s) or RMB special deposit account with or otherwise held by CCSC, SHCH or the Onshore Settlement Agent, are registered in the name of or held to the order of the Depositary; and

iii. the Onshore Settlement Agent will look to the Depositary (directly or indirectly) for instructions and solely act in accordance with the Depositary's instructions, save as otherwise required under applicable regulations.

**RISK MANAGEMENT PROCESS**
The Management Company performs the risk management function and leverages the resources of the Risk and Quantitative Analysis team of BlackRock Group. This is described in the Risk Management Process document that covers market risk, liquidity risk, counterparty risk and operational risk. This function is independent from other business areas, reporting into the Chief Risk Officer of the BlackRock Group. Policies and procedures are in place to ensure that all applicable risks pertaining to the Management Company and to the Relevant Funds can be identified, measured, monitored, controlled and reported at all times. It includes, but is not limited to, the following activities:

- Implementing the risk management policy and procedures;
- Ensuring compliance with risk limits, including regulatory limits monitored using the Value at Risk model;
- Providing regular reports on the current levels of risk in each fund, compliance with relevant risk limits, and the effectiveness of the risk management process;
- Confirming that remedial measures required to address any deficiencies were taken; and
- Reviewing the valuation of OTC derivatives.

Investors may contact the Hong Kong Representative for further information about the risk management process.

**LIQUIDITY RISK MANAGEMENT**
Liquidity risk is the risk that a particular position cannot be easily unwound or offset due to insufficient market depth or market disruption; or that a Fund's financial obligations (such as investor redemptions) cannot be met. An inability to sell a particular investment or portion of a Fund's assets may have a negative impact to the value of the relevant Fund and to the Fund's ability to meet its investment objectives. Additionally, an inability to sell Fund assets may have negative implications for investors being able to redeem in a timely fashion, and also to investors who remain invested in the Fund.

The Management Company has established a Liquidity Risk Management Policy which enables it to identify, monitor and manage the liquidity risks of the Funds. Such policy, combined with the liquidity management tools available, seeks to achieve fair treatment of shareholders and safeguard the interests of remaining shareholders against the redemption behaviour of other investors and mitigate against systemic risk.

The Management Company's Liquidity Risk Management Policy is appropriate for each Fund's specific characteristics and takes into account the relevant Fund's liquidity terms, asset class liquidity, liquidity tools and regulatory requirements.

**Tools to Manage Liquidity Risk**
Under the Liquidity Risk Management Policy, tools available to manage liquidity risk include the following:

- The Management Company may adjust the Net Asset Value per Share for a Fund in order to reduce the effect of "dilution" and apply the dealing costs to transacting investors.
- A Fund may borrow up to 10% of its total net assets on a temporary basis.
- The Company will not be bound to redeem or convert on any one Dealing Day more than 10% of the value of Shares of all Share Classes of a Fund then in issue or deemed to be in issue.
- Payment of an amount to a single shareholder in excess of USD500,000 may be deferred for up to seven Business Days beyond the normal settlement date.
- The Management Company may, subject to the prior consent of a shareholder, effect a payment of redemption proceeds in specie by allocating to the shareholder investments from the portfolio of the relevant Fund equal in value to the price of the relevant Shares to be redeemed.
- The Company may compulsorily redeem all Shares of the Company or the Shares of any Share Class if the Net Asset Value of the Company or the relevant Fund falls below certain thresholds.
- Where the value of certain assets is not ascertainable by normal valuation methods or if the Directors consider that some other method of valuation more accurately reflects the fair value of such assets, the method of valuation will be such as the Directors (in consultation with the Depositary) in their absolute discretion decide.
- The Management Company may suspend the valuation of any Share Class of a Fund in certain circumstances.

Further details of the above tools can be found in Appendix A and Appendix B of the Prospectus.

**Liquidity Risk Management Policy and Framework**
The Management Company relies on the relevant Investment Adviser to the Funds and the independent risk management team to implement the Liquidity Risk Management Policy. The risk management team uses a liquidity risk management framework to monitor and manage liquidity risk of each Fund. Under this framework the Investment Adviser and risk management team consider liquidity of holdings; market liquidity and cost to transact in various market conditions; and ability to meet redemptions and respond to outsized flows. Portfolio liquidity and redemption risk are regularly assessed using different qualitative and quantitative indicators. Key metrics that may be used to measure and monitor liquidity risk include liquidity tiers, projected fund flows and redemption forecasting models. The need for and availability of potential backup liquidity sources are evaluated and operational feasibility of processes to execute extraordinary measures to meet redemptions is considered. Any significantly adverse results are reported to senior management and to the Directors.

This framework enables the risk management team to assess, review and decide, in conjunction with the Investment Adviser and Management Company, any necessary course of action at short notice to deal with large redemptions or structurally stressed market conditions, via employing one or more of the tools outlined above. Investors should note that there is a risk that the tools may be ineffective to manage liquidity and redemption risk.

**HONG KONG REPRESENTATIVE**
The representative of the Company in Hong Kong (the "**Hong Kong Representative**") is BlackRock Asset Management North Asia Limited 貝萊德資產管理北亞有限公司, 16th Floor Champion Tower, 3 Garden Road, Central, Hong Kong. Copies in English of the

Company's Articles of Association and material contracts entered into between the Company and its functionaries (as varied or substituted from time to time) are available for inspection free of charge during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the Hong Kong Representative's office. English and Chinese copies of the Prospectus and English copies of the annual report and interim report are available, without charge, from the Hong Kong Representative.

Shareholders may contact the Hong Kong Representative at the above address or at +852 3903-2688 if they have any queries or complaints in respect of the Company. Depending on the nature of an enquiry/complaint, it will be dealt with either by the Hong Kong Representative directly, or referred to the Management Company for further handling as soon as practicable.

## AVAILABILITY

Class A Distributing and Non-Distributing Shares are available in Hong Kong through third party distributors. Unless otherwise requested, all Class A Shares will be issued as registered shares.

Class C Shares are available as Distributing and Non-Distributing Shares through certain third party distributors at the discretion of the Management Company. Class C Shares are available as registered shares only.

Class D Shares are available as Distributing and Non-Distributing Shares through certain third party distributors at the discretion of the Management Company. Unless otherwise requested, all Class D Shares will be issued as registered shares.

Classes AI, DD, E, I, J, S, SI, SR, X, Z and ZI shares are not available to the public in Hong Kong.

To the extent permitted by the Prospectus, the Investment Advisers may employ techniques and instruments from time to time intended to provide protection against movements of one currency versus other currencies. Further, hedged versions of Classes A, C and D Shares are available to Hong Kong resident holders of Shares denominated in the additional Dealing Currency of the Funds as listed in Appendix A.

Additional Hedged Share Classes may, at the Directors' discretion, be made available in other Funds and in other currencies. Please note that BRL Hedged Share Classes are not currently available for purchase by the Hong Kong public.

Distributing (C) Shares, Distributing (R) Shares, Distributing (S) Shares, Distributing (T) Shares and Distributing (Y) Shares distribute income gross of expenses and may pay dividends out of capital (including net realised and net unrealised capital gains) of that Share Class at the Directors' discretion.

More information about the Dealing Currencies, Hedged Share Classes, Distributing and Non-Distributing Share Classes available in Hong Kong as of the date of this Document is set out in Appendix A. The Directors may, at their discretion, offer new share classes in any of the SFC-authorised Funds, investors may obtain up-to-date information from the registered office of the Company and from the Investor Servicing team.

## RISK CONSIDERATIONS

To the best knowledge of the Directors, the Prospectus sets out the risks that they are aware of pertaining to the Funds and the risks that an investor should be aware of in assessing the Funds. Investors should note that the Funds are exposed to various risks depending on their respective investment policies. Potential investors should consider the risks involved prior to investing in the Company to determine whether an investment in the Company is suitable to them.

## ADDITIONAL RISK CONSIDERATIONS

### Investment Risks

The Funds are investment funds. The Funds' investment portfolio may fall in value due to any of the risk factors and therefore investors' investment in the Funds may suffer losses. There is no guarantee of the repayment of principal.

### Risk of Termination

The circumstances where a particular Fund may be terminated are summarised under paragraph 9 of Appendix B of the Prospectus. In the event of the termination of a Fund, such Fund would have to distribute to the Shareholders their pro rata interest in the assets of the Fund. It is possible that at the time of such sale or distribution, certain investments held by the relevant Fund might be worth less than the initial cost of such investments, resulting in a loss to the Shareholders. Moreover, any organisational expenses with regard to the relevant Fund which have not been fully amortised would be debited against the Fund's capital at the time of termination.

### Transfer of Collateral

Referring to the risks set out under the heading "**Transfer of Collateral**" in the sub-section headed "**Derivatives**" under the "**Risk Considerations**" section in the Prospectus, investors should note that in the event of insolvency, bankruptcy or default of the counterparty under a collateral arrangement, the Fund may become an unsecured creditor and may not be able to recover the collateral. Consequently, the Fund may incur a loss or expenses in recovering its assets.

### Mid Cap Companies Risks

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

### Risks associated with Fixed Income Securities

In addition to the risks set out in the sub-section headed "**Fixed Income Transferable Securities**" under the "**Specific Risk Considerations**" section in the Prospectus, investors should note that a Fund investing in fixed income securities may be subject to the following risks:

- *Interest rate risk*

A Fund investing in fixed income securities may be subject to interest rate risk. In general, the prices of fixed income securities rise when interest rates fall, whilst their prices fall when interest rates rise.

- *Volatility and liquidity risk*

The debt securities in certain countries or regions may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Fund may incur significant trading costs.

- *Valuation risk*

Valuation of a Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value calculation of the Fund.

- *Credit rating risk*

Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.

**Risks associated with Preference Shares**

Certain Funds may invest in preference shares. Preference shareholders do not have the same ownership rights in the company as common shareholders. The lack of voting rights means the company is not beholden to preferred shareholders the way it is to equity shareholders. Although preference shares have a fixed dividend that must be paid before any dividends can be paid to common shareholders, such fixed dividend may become less of a bargain to the relevant Fund when interest rates rise. Also, even when the earnings of the relevant company are high, a Fund's investment in preference shares may not give the relevant Fund additional return due to the fixed dividend. The value of a Fund investing in preference shares may therefore be adversely affected.

**Risk associated with Call Options**

Certain Funds may invest in covered call options. A covered call option is an agreement that gives the buyer the right (but not the obligation) to exercise the option at strike price within a specific timeframe. For the writer (seller) of a call option that is cash settled, it represents an obligation to meet a payment (based on the difference between the current market price of the security or index and the strike price of the option) if the option is exercised by the buyer. There are risks associated with selling covered call options. The relevant Fund as the seller of a covered call option gives up the opportunity for gain on the underlying instrument in respect of the option above the exercise price of the option. The value of a Fund may be adversely affected as a result.

**Urban investment bonds *(城投債)* Risk**

Urban investment bonds are issued by local government financing vehicles ("**LGFVs**"), such bonds are typically not guaranteed by local governments or the central government of the PRC. In the event that the LGFVs default on payment of principal or interest of the urban investment bonds, the fund could suffer substantial loss and the Net Asset Value of the Funds could be adversely affected.

**Sovereign Debt Risk**

Investment in bonds issued or guaranteed by governments or authorities may involve political, economic, default, or other risks, which may in turn have an adverse impact on the Funds. Due to these factors, the sovereign issuers may not be able or willing to repay the principal and/or interest when due.

Holders of defaulting sovereign debt may be requested to participate in the restructuring of such debt. In addition, there may be limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment.

Certain Funds may have exposure to Eurozone sovereign debts. In light of the fiscal conditions of certain European countries, the Funds may be subject to a number of increased risks arising from a potential crisis in the Eurozone (such as volatility, liquidity, price and currency risks). The performance of the Funds could deteriorate should there be any adverse events in the Eurozone (e.g. downgrade of sovereign credit ratings, default of one or more European countries, or even break-up of the Eurozone).

**Eurozone Risk**

Certain Funds may invest in the Eurozone. In light of ongoing concerns over the sovereign debt risk of countries within the Eurozone, the Funds' investments in the region may be subject to higher volatility, liquidity, currency and default risks. Any adverse events, such as credit downgrade of a sovereign or exit of European Union members from the Eurozone, may have a negative impact on the value of the Funds.

**Risks associated with high volatility and regulatory policies of the equity markets (excluding China)**

A Fund may invest in the equity market in emerging markets (excluding China).

High market volatility and potential settlement difficulties in the emerging markets (excluding China) may also result in significant fluctuations in the prices of securities traded on such markets and may thereby adversely affect the value of the Fund.

Securities exchanges in the emerging markets (excluding China) typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets and thus the Fund.

**Non-Investment Grade Risks**

In addition to the risks set out in the sub-section headed "**Fixed Income Transferable Securities**" under the "**Specific Risk Considerations**" section in the Prospectus, investors should note that investing in non-investment grade bonds, including sovereign debts, may subject the Funds to higher credit/default risks. If the issuer of the bond defaults, or if the non-investment grade bonds fall in value, investors may suffer significant losses. Non-investment grade bonds tend to be more volatile, and the market for these bonds is generally less liquid, than investment grade bonds and adverse events or market conditions may have a larger negative impact on the prices of non-investment grade

bonds.

**Risk of Investing in Other CIS**

- *Risk relating to index funds*

  Certain Funds may invest in index funds. Index funds are not actively managed. Falls in the related tracking index are expected to result in a corresponding fall in the value of the relevant index fund. Factors such as fees and expenses of an index fund, imperfect correlation between the index fund's assets and the underlying securities within the relevant tracking index, rounding of share prices, adjustments to the tracking index and regulatory policies may adversely affect the ability of the manager of an index fund to achieve close correlation with the tracking index for the relevant fund. An index fund's returns may therefore deviate from that of its tracking index. These factors may have an adverse impact on the value of the index funds, and thus the Net Asset Value of the Fund may also be adversely impacted.

- *Trading risk of Exchange Traded Funds ("**ETF**")*

  The trading prices of units in an ETF are driven by market factors such as the demand and supply of the units and may differ significantly from the net asset value of the units of such ETF. There can be no assurance that an active trading market will exist or maintain for units of an ETF on any securities exchange on which units of an ETF may trade. The units of the ETFs which the Fund may invest in may be traded at large discounts or premiums to their net asset value, which may in turn adversely affect the Net Asset Value of the Fund.

If a Fund is a fund of funds, then in additional to the risks set out in the sub-section headed "**Fund of funds**" under the "**Specific Risk Considerations**" section in the Prospectus, investors should note that the Fund will be subject to the risks associated with the underlying CIS. The Fund does not have control of the investments of the underlying CIS and there is no assurance that the investment objective and strategy of the underlying CIS will be successfully achieved which may have a negative impact to the Net Asset Value of the Fund. The underlying CIS in which the Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying CIS. There is also no guarantee that the underlying CIS will always have sufficient liquidity to meet the Fund's redemption requests as and when made. Further, there may be potential conflicts of interest where the Fund invests in underlying CIS managed by one or more affiliates of the BlackRock Group. In the event of such conflicts, the Management Company will endeavour to ensure that such conflicts are resolved fairly taking into account investors' interests.

**Currency Risks**

If a Fund's investment objectives states that "currency exposure is flexibly managed", then pursuant to the risks set out under the heading "**Currency Overlay Strategies**" in the sub-section headed "**Derivatives**" under the "**Risk Considerations**" section in the Prospectus, investors should note that these Funds may utilise techniques and instruments (e.g. currency overlays) in relation to currencies other than the base currency with the aim of generating positive returns. Any active currency management techniques implemented by the Fund may not be correlated with the underlying securities held by the Fund. As a result, the relevant Fund may suffer significant losses even if there is no loss to the value of the underlying securities held by the Fund.

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

**FDI Risks applicable to the Relevant Funds and the ESG Multi-Asset Fund**

Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage effect of FDI can result in a loss significantly greater than the amount invested and extensive exposure to FDI may lead to a significant loss by the Relevant Funds.

The Relevant Funds may have net derivative exposure of more than 100% of their respective Net Asset Value. This may magnify the potential impact of any negative change in the value of underlying assets on those Relevant Funds and may also increase the volatility of their price and may lead to significant losses.

Certain FDI used by the Relevant Funds and the ESG Multi-Asset Fund may be in respect of asset classes not correlated with the underlying securities held by the Relevant Funds and the ESG Multi-Asset Fund such as FDI on currencies (or in the case of the Emerging Markets Local Currency Bond Fund, derivatives on currencies not included in the benchmark). In this regard the Relevant Funds and the ESG Multi-Asset Fund may suffer significant losses notwithstanding that there may be no loss in respect of the underlying securities positions held by the Relevant Funds and the ESG Multi-Asset Fund.

**Geographical Concentration Risks**

The following Funds' investments are concentrated in specific geographical locations. This may result in greater volatility than more broad-based investments. The value of these Funds may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant geographical locations:

AI Innovation Fund, Asia Pacific Bond Fund, Asian Dragon Fund, Asian Growth Leaders Fund, Asian High Yield Bond Fund, Asian Multi-Asset Income Fund, Asian Tiger Bond Fund, China Bond Fund, China Fund, China Onshore Bond Fund, Continental European Flexible Fund, Emerging Europe Fund, Emerging Markets Ex-China Fund, Euro Bond Fund, Euro Corporate Bond Fund, Euro Reserve Fund, Euro Short Duration Bond Fund, Euro-Markets Fund, European Blend Equity Fund, European Equity Income Fund, European High Yield Bond Fund, European Fund, European Value Fund, Global Unconstrained Equity Fund, India Fund, Japan Flexible Equity Fund, Japan Small & MidCap Opportunities Fund, Latin American Fund, MyMap Cautious Fund, MyMap Growth Fund, MyMap Moderate Fund, Swiss Small & MidCap Opportunities Fund, Systematic Asia Pacific Equity High Income Fund, Systematic China A-Share Opportunities Fund, Systematic Nasdaq Equity High Income Fund, United Kingdom Fund, US Basic Value Fund, US Dollar Bond Fund, US Dollar High Yield Bond Fund, US Dollar Reserve Fund, US Dollar Short Duration Bond Fund, US Flexible Equity Fund, US Growth Fund and US Mid-Cap Value Fund.

**Risk relating to a Dynamic Asset Allocation Strategy**

A Fund may adopt a dynamic asset allocation strategy and its investments may be periodically rebalanced and therefore such Fund may

incur greater transaction costs than a fund with static allocation strategy.

**Risks relating to Target Risk Strategy**
A Fund may adopt target risk strategy. There is no assurance that the Fund will in all cases maintain the level of portfolio risk within its target range.

If market risk levels change substantially over short periods, changes to the mix of investments of the Fund may become more frequent to maintain the target level of portfolio risk, resulting in a higher portfolio turnover in the Fund. These will result in increased operating expenses payable by the Fund and thus the Net Asset Value of the Fund may be adversely affected.

**Hedging Risk**
A Fund may hedge the currency exposure through the use of currency derivatives. There is no guarantee that hedging techniques will fully and effectively achieve their desired result. The success of hedging much depends on the Investment Adviser's expertise and hedging may become inefficient or ineffective. This may have adverse impact on the relevant Fund and its investors.

While a Fund may enter into such hedging transactions to seek to reduce risks, unanticipated changes in currency, interest rates and market circumstances may result in a poorer overall performance of a Fund. A Fund may not obtain a perfect correlation between hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent the intended hedge or expose the relevant Fund to risk of loss.

Depending on the portion of relevant Fund's holding of non-Based Currency denominated instruments, the relevant Fund may incur significant hedging transactions expenses if a large portion of the instruments denominated in non-Based Currency is hedged back to Base Currency. Any expenses arising from such hedging transactions, which may also be significant depending on prevailing market conditions, will be borne by the relevant Fund in relation to which they have been incurred.

**Currency Conversion Risks for Investments in RMB and RMB Denominated Share Classes**
A Fund will need to convert cash (at the applicable exchange rate and subject to the applicable spread) into or out of RMB in the following circumstances:

- Conversion of RMB settled subscriptions into another currency for investment.
- Conversion of cash in a Fund into RMB for the purposes of settling RMB settled redemptions.
- Conversion of available RMB into another currency in the course of investing.
- Conversion of available cash into RMB in the course of investing.

Such transactions could incur considerable currency conversion costs. Further, as RMB is not freely convertible and is subject to exchange controls and restrictions, currency conversion is subject to availability of RMB at the relevant time. A Fund may not be able to invest according to its intended strategy in the event that there is insufficient RMB available to it.

Non-RMB based investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' home currency will not depreciate. Any depreciation of RMB could adversely affect the value of investors' investment in the RMB denominated Share Classes.

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

For non-hedged RMB Share Classes, depending on the exchange rate movements of RMB relative to the Base Currency of a Fund and/or other currency(ies) of the non-RMB-denominated underlying investments of the Fund, investors may suffer losses even if there are gains or no losses in the value of the non-RMB-denominated underlying investment or may suffer additional losses if the non-RMB-denominated underlying investments of the Fund fall in value.

For hedged RMB Share Classes, the costs of the hedging transactions will be reflected in the Net Asset Value of the Hedged Share Classes and therefore, investors will have to bear the associated hedging costs, which may be significant depending on prevailing market conditions. If the counterparties of the instruments used for hedging purpose default, investors of the Hedged Share Classes may be exposed to RMB currency exchange risk on an unhedged basis and may therefore suffer further losses. Furthermore, there is no guarantee that the hedging strategy will be effective and investors may still be subject to the RMB currency exchange risk for non-hedged RMB Share Classes. Investors of the Hedged Share Classes will also not benefit from any potential gain in value if the Fund's Base Currency and/or other currency(ies) of non-RMB-denominated underlying investments of the Fund rise(s) against RMB.

RMB is traded in both the onshore and offshore markets. While both CNY and CNH represent the same currency, they are traded in different and separate markets which operate independently. Therefore CNY and CNH do not necessarily have the same exchange rate and their movement may not be in the same direction. When calculating the Net Asset Value of a Fund whose Base Currency is RMB, or converting the Base Currency of a Fund not denominated in RMB to RMB for the purposes of calculating the Net Asset Value of a Share Class with a RMB reference currency, the Management Company will apply the CNH rate. Any divergence between CNH and CNY may adversely impact investors.

Investors should refer to the sub-section headed "**Renminbi Currency and Conversion Risks**" under the "**Specific Risk Considerations**" section and the sub-section headed "**Hedged Share Classes**" under the "**Classes and Forms of Shares**" section in the Prospectus for further details.

**Risks associated with the AI Sector**
A Fund's investments in the AI sector are likely to be affected by world-wide rapid technological developments as well as regulatory development in the relevant sector. The products or services of such companies may rapidly fall into obsolescence (or may be dependent

on technologies which rapidly fall into obsolescence) and so the value of the securities of these companies be negatively impacted as a result.

Companies in AI-related business will face intense competition which may have an adverse effect on profit margins. It is likely that these companies will also rely heavily on patents and other proprietary rights and any loss of, or limitation on their ability to enforce, such proprietary rights in the future could have a material adverse effect on their profitability. Certain AI technology features may also increase the risk of fraud or cyberattack. All of these may have an adverse impact on the value of the Fund's investments.

**Risks associated with the Technology Sector**
A Fund's investments in companies in the technology sector (including companies that drive or benefit from technology innovation) are likely to be affected by world-wide rapid technological developments. Such investments are also likely to be affected by government policies and regulations, environmental concerns, taxes, price and supply changes. The products or services of technology companies may rapidly fall into obsolescence (or may be dependent on technologies which rapidly fall into obsolescence) and so the value of the securities of these companies be negatively impacted as a result.

Companies that generate revenues from technology companies / technology innovation are heavily dependent on patent and intellectual property rights and/or licences, the loss or impairment of which may adversely affect profitability. Companies in these sectors may face dramatic and often unpredictable changes in growth rates and competition among the companies themselves and for the services of qualified personnel). These factors are likely to have a greater impact on the companies focusing on new and emerging technology. Also, such companies are subject to cyber security risks which may cause issues like system breakdown, suspension of offering of products or services, loss or misuse of corporate or personal data, etc., and result in undesirable legal, financial, operational and reputational consequences. All of these may have an adverse impact on the value of the Fund's investments.

Technologies are also used and applied to transport. The growing concern of environmental impacts of transportation, for example, the level of carbon emission, may cause an increase in costs in and tighter regulatory scrutiny over the transport technology sector. A Fund investing in companies involved in transport technologies may therefore be adversely affected.

**Risks Associated with the Infrastructure Sector**
A Fund's investments in companies in the infrastructure sector are likely to be affected by economic, political or regulatory development in the relevant sector. Securities of companies in the infrastructure sector may also be affected by a wide variety of factors which may adversely affect profitability, such as additional costs, interest rates, environmental and local regulations, increased competitions, taxes, and terrorist activity. All of these may have an adverse impact on the value of the Fund's investments.

**ESG Investment Policy Risk**
In additional to the risks set out in the sub-section headed "**ESG Investment Policy Risk**" under the "**Specific Risk Considerations**" section in the Prospectus, investors should note there is a lack of standardised taxonomy of ESG evaluation methodology. The evaluation methodology adopted by different investment managers may vary. The use of ESG criteria by a Fund may also result in the relevant Fund being concentrated in companies with ESG focus and its value may be more volatile than that of fund having a more diverse portfolio of investments.

In respect of a Fund which invests in CIS incorporating ESG factors as their key investment focus, investors should note that investment selection of the underlying CIS is based on subjective judgment of the investment manager. Hence, there is also a risk that the investment manager may not apply the relevant ESG criteria correctly or that the Fund may (via its investments in the CIS) gain limited exposure to issuers which may not be consistent with the relevant ESG criteria used by the Fund. Further, the ESG objective or outcome adopted by the CIS may change from time to time. There may be periods where the Fund is exposed to all of the ESG approaches as disclosed in the investment policy above via the CIS and other times where this may not be the case. Change in ESG objective or outcome of a CIS may involve rebalancing of the investments of the Fund and therefore the Fund may incur greater transaction costs than a Fund employing a buy-and-hold allocation strategy.

**Risk associated with Investing in Sustainable Themes or Sectors**
There is a lack of standardised taxonomy on sustainable themes or sectors. The evaluation methodology adopted by different investment managers may vary. In respect of a Fund which invests in a sustainable theme or sector (such as the Sustainable Energy Fund), the assessment as to whether an issuer aligns with a sustainable theme or sector involves the Investment Adviser's subjective judgment. Therefore, the relevant Fund may invest or perform differently compared to other funds who seek exposure to the same or similar sustainable theme or sector.

**Risk associated with Investing in Companies with Circular Economy Concept**
There is a lack of standardised taxonomy on Circular Economy concept or sectors. The evaluation methodology adopted by different investment managers may vary. In respect of a Fund which invests in companies with Circular Economy concept (such as the Circular Economy Fund), the assessment as to whether an issuer aligns with a Circular Economy concept involves the Investment Adviser's subjective judgment. In addition, due to the criteria applied during stock selection to meet the definition of Circular Economy, in respect of a Fund which invests in companies with Circular Economy concept (such as the Circular Economy Fund), the range of companies the relevant Fund can invest in may be less diversified than a typical fund. Circular Economy companies may be subject to environmental concerns, taxes, government regulation, price and supply changes and competition.

**Risks associated with Investments which Purport to Seek a Positive Social and/or Environmental Impact**
There is no universal taxonomy on what "social and/or environmental impact" amounts to or the sectors, industries, loans, companies and organizations which support that objective. The determination of the same involves value-laden evaluations from the Investment Adviser, and there may not be any internationally recognised quantitative criteria to objectively measure "social and/or environmental impact". Issues of securities with an outlook to create a positive social and/or environmental impact may not always be profit-oriented. While the Investment Adviser will seek to identify investments with potential to produce attractive income returns, owing to the financial position, credit history and/or rating and other possible reputational risks of the debtors to the debts, loans and receivables underlying the securities in which a Fund may invest, the income potential of these securities may not be realised. The concept of "social and/or environmental impact" is subject

to continued evolution at local, regional and international levels from time to time as a result of and/or in connection with political priorities and preferences and demands of the market, whereby increasing the uncertainty and challenges to the investment decision making process.

**Risks associated with Income-generating Investment Strategy**
A Fund may pursue an investment strategy in order to generate income, which may reduce the potential for capital growth and future income of the Fund (as applicable).

**Risks associated with Investments in Debt Instruments with Loss-absorption Features (LAP)**
Debt instruments with loss-absorption features are subject to greater risks when compared to traditional debt instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of a pre-defined trigger event (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.

In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Debt instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.

**Risks associated with Distributing Shares with Dividend Threshold Amount**
Investments in Distributing Shares with Dividend Threshold Amount are not an alternative to a savings account or fixed-interest paying investment. The percentage of distributions paid by the relevant share class is unrelated to expected or past income or returns of such share class or the relevant Fund.

**Model and Data Risks**
A Fund may seek to pursue its investment objective by using proprietary models that incorporate quantitative analysis. Investments selected using these models may perform differently than as forecasted due to the factors incorporated into the models and the weighting of each factor, changes from historical trends, and issues in the construction and implementation of the models (including, but not limited to, software issues and other technological issues). There is no guarantee that the use of these models will result in effective investment decisions for the relevant Fund. The information and data used in the models may be supplied by third parties. Inaccurate or incomplete data may limit the effectiveness of the models. In addition, some of the data that the Investment Adviser uses may be historical data, which may not accurately predict future market movement. There is a risk that the models will not be successful in selecting investments or in determining the weighting of investment positions that will enable the relevant Fund to achieve its investment objective.

**Securities Lending Risks**
When engaging in securities lending, a Fund will have a credit risk exposure to the counterparties to any securities lending contract. Fund investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the relevant Fund.

**SPECIFIC RISK CONSIDERATIONS**
For the purpose of Hong Kong-specific disclosure requirements, investors should note that the following additional specific risk warnings are applicable to each of the Funds in addition to those set out in the tables under the "**Specific Risk Considerations**" section in the Prospectus:

**Risk of Capital Erosion**
- AI Innovation Fund, Asia Pacific Bond Fund, Asian High Yield Bond Fund, Asian Tiger Bond Fund, China Bond Fund, China Onshore Bond Fund, Circular Economy Fund, Dynamic Infrastructure Opportunities Fund, Emerging Markets Bond Fund, Emerging Markets Local Currency Bond Fund, Euro Corporate Bond Fund, ESG Multi-Asset Fund, Fixed Income Global Opportunities Fund, Global Allocation Fund, Global Bond Income Fund, Global Corporate Bond Fund, Global High Yield Bond Fund, MyMap Cautious Fund, MyMap Growth Fund, MyMap Moderate Fund, Systematic Global Income & Growth Fund, US Dollar High Yield Bond Fund, US Dollar Short Duration Bond Fund and World Bond Fund.

**Emerging Markets/Frontier Markets**
- Asia Pacific Bond Fund Continental European Flexible Fund, European Blend Equity Fund, European Equity Income Fund, European Fund, European Value Fund and Global Inflation Linked Bond Fund.

**Sovereign Debt**
- Euro Corporate Bond Fund.

**Liquidity Risk**
- Asian Tiger Bond Fund, Emerging Markets Bond Fund, Emerging Markets Corporate Bond Fund and Systematic Global Income & Growth Fund.

**Investment in High Yield Debt Securities**
- Asian High Yield Bond Fund, Asian Tiger Bond Fund, China Bond Fund, Dynamic High Income Fund, Emerging Markets Bond Fund, Emerging Markets Corporate Bond Fund, Emerging Markets Local Currency Bond Fund, ESG Multi-Asset Fund, Fixed Income Global Opportunities Fund, Global Allocation Fund, Global High Yield Bond Fund, Global Multi-Asset Income Fund and US Dollar High Yield Bond Fund.

**Portfolio Concentration Risks**
- Next Generation Technology Fund, MyMap Cautious Fund, MyMap Growth Fund and MyMap Moderate Fund.

## UNDERWRITING OFFERINGS
In accordance with Chapter 10.9 of the SFC's Code on Unit Trusts and Mutual Funds (and notwithstanding that no such requirement exists under the applicable Luxembourg regulation(s)), the Funds may only underwrite or sub-underwrite certain offerings from time to time through

the Investment Advisers with the prior consent of the Depositary.

## SECURITIES LENDING

Any net income (net of any remuneration to which the Company's securities lending agent is entitled) deriving from securities lending to which the Company is entitled will be reinvested in the Company.

The remuneration paid to the Company's securities lending agent will be a maximum of 37.5% of gross revenue deriving from securities lending.

## REPO TRANSACTIONS

The Company may enter into repo transactions directly or indirectly through agents. These agents may include affiliates (for instance, the Investment Advisers) of the Company. There are currently no income sharing arrangements with these agents in respect of the repo transactions. All incremental incomes generated from such transactions will be accrued to the relevant Fund.

## CROSS-TRADES

Cross-trades between Funds and/or other funds managed by the Management Company or its affiliates may be undertaken where the Management Company considers that, as part of its portfolio management, cross-trades between such Funds or funds would be in the best interests of the Shareholders to achieve the investment objective and policy of the relevant Fund. By conducting cross-trades, the Management Company may achieve trading efficiencies and savings for the benefit of the Shareholders.

In conducting transactions, such cross-trades will be executed on arm's length terms at current market value and the reason for such trades shall be documented prior to execution, in accordance with the SFC's Fund Manager Code of Conduct.

## INVESTMENT IN OTHER FUNDS IN THE COMPANY, UCITS AND/OR OTHER UCIS

When a Fund invests in any underlying Funds, UCITs or other UCIs, the Management Company, the Investment Adviser and the Sub-Adviser may not obtain a rebate on any fees or charges levied by such underlying Funds, UCITs or UCIs or their management companies, or any quantifiable monetary benefits in connection with investments in any underlying Funds, UCITs or other UCIs.

## SOFT DOLLARS

The Management Company, the Investment Adviser, the Sub-Adviser and/or any of their connected persons reserves the right to effect transactions by or through a broker or dealer with whom the Management Company, the Investment Adviser, the Sub-Adviser and/or any of their connected persons has an arrangement under which that broker or dealer will from time to time provide to or procure for the Management Company, the Investment Adviser, the Sub-Adviser and/or any of their connected persons goods or services for which no direct payment is made but instead the Management Company, the Investment Adviser, the Sub-Adviser and/or any of their connected persons undertakes to place business with that broker or dealer. The Management Company shall procure that no such arrangements are entered into unless (i) periodic disclosure is made in the annual report of the Company or the relevant Fund in the form of a statement describing the soft dollar policies and practices of the Management Company, the Investment Adviser or the Management Company, the Investment Adviser, including a description of goods and services received by them; and (ii) the availability of soft dollar arrangements is not the sole or primary purpose to perform or arrange transaction with such broker or dealer.

## FEES AND EXPENSES

Subject to the approval of the Board of Directors, the combined management fee and Annual Service Charge for any Fund may be increased up to a maximum of 2.25% by giving Shareholders at least three months prior notice. Any increase to the combined management fee and Annual Service Charge above this level would require approval of Shareholders at a general meeting. At least one month's notice will be given to Shareholders of any increase in the rates of other fees and charges specified in the Prospectus, unless prior shareholder consent is required under the Company's Articles when at least one month's notice will be given from the date of such consent.

The Company will pay the fees and out-of-pocket expenses of the Hong Kong Representative for ensuring compliance with the relevant laws and regulations in Hong Kong and for acting as the Hong Kong Representative. The Management Company may pay the Hong Kong Representative a proportion of the initial charge in respect of applications from residents of Hong Kong.

Advertising and promotion expenses in connection with the Company will not be paid by its assets.

References to "distribution fee" under the section headed "**Fees, Charges and Expenses – Distribution Fees**" of the Prospectus refer to a shareholders services fee paid to distributor for providing services such as maintaining records of clients accounts, issuing and delivering periodic account statements to clients.

### Launch Expenses for New Funds

The expenses incurred in the establishment of each new Fund is estimated to amount to USD10,000 per Fund. The expenses relating to the establishment of these Funds will be amortised over three years. These expenses will be split according to the number of shares in issue at the time of amortisation.

If a Fund is closed at a time when any expenses previously allocated to that Fund have not been amortised in full, the Directors shall determine how the outstanding expenses should be treated and may, where appropriate, decide that the outstanding expenses should be met by the Fund as a liquidation expense.

## PUBLICATION OF PRICES

Prices of Classes A, C and D Shares for all Funds are normally published daily on Bloomberg, on Reuters page BLRKIA and on www.blackrock.com/hk.

## HOW TO INVEST

Application, conversion and redemption instructions must be received by the Company's Hong Kong Representative or the Transfer Agent

before 6.00 p.m. (Hong Kong time) on any business day in Hong Kong, unless specifically agreed otherwise with the Hong Kong Representative or the Transfer Agent, in order to be accepted by the Transfer Agent for that day's dealing (provided that it is also a bank business day in Luxembourg).

The Transfer Agent will promptly confirm transactions by dispatching a confirmation note to the applicant.

## APPLICATIONS

For your initial investment, carefully read the contents of the Prospectus and this Document, complete an Application Form and return the Form, with a copy of your telegraphic transfer instructions and a photocopy of your identification card or passport, to the Hong Kong Representative at 16th Floor Champion Tower, 3 Garden Road, Central, Hong Kong, Telephone: +852 3903-2688 or the Transfer Agent. Payment may only be made by telegraphic transfer; payment by cheque, banker's draft or cash will not be accepted.

The Hong Kong Representative has no authority to agree on behalf of the Company that applications will be accepted or to bind the Company to issue Shares at any particular price. You may make your subsequent applications in writing, or by fax followed in each case by written confirmation. Details of minimum subscriptions are set out in the section headed "**Application for Shares – Minimum Subscription**" of the Prospectus and details of the current minima are also available from the Hong Kong Representative. Further details on the application process are set out in the section headed "**Application for Shares**" of the Prospectus. Settlement in cleared funds net of bank charges must be made within the time periods set out in the section headed "**Application for Shares – Settlement**" of the Prospectus unless otherwise specified in the contract note in cases where the standard settlement date is a public holiday for the currency of settlement. Telegraphic transfers should be made to the relevant accounts set out in the section headed "**Summary of Subscription Procedure and Payment Instructions**" of the Prospectus.

## FOREIGN EXCHANGE TRANSACTIONS

An investor may by prior arrangement with the Transfer Agent or the Investor Servicing team, provide the Transfer Agent with any major freely convertible currency and the Transfer Agent will arrange the necessary currency exchange transactions. The cost of foreign exchange transactions will be borne by the Investor.

## ANTI-DILUTION ADJUSTMENT

As disclosed in under the section headed "**Net Asset Value and Price Determination**" in Appendix B of the Prospectus, the Directors may adjust the Net Asset Value of a Fund in order to reduce the effect of "dilution" on that Fund.

Investors should note that the magnitude of the adjustment will vary depending on which threshold is triggered. Specifically, each threshold set by the Directors for a Fund will have its own "swing factor", which is the magnitude of adjustment as triggered by the related threshold. Where multiple thresholds are set for a Fund, only the swing factor related to the highest threshold triggered on any Dealing Day will be applied. In any event, the swing factor will be subject to the maximum rate set out in the Prospectus.

The magnitude of such adjustment reflects the estimated costs of trading of a Fund, which vary with the size of net inflows/outflows of such Fund. Therefore, it is in the interests of Shareholders if different swing factors are applied depending on the level of net inflows/outflows of a Fund on any Dealing Day.

Equity Funds, particularly sector Funds and country/area specific Funds, tend to require more thresholds as the costs of trading generally increase with the size of the net inflows/outflows. In contrast, for fixed income Funds, the costs of trading frequently do not significantly change with the size of net inflows/outflows and therefore the number of thresholds required in respect of a fixed income Fund is expected to be fewer.

## REDEMPTIONS AND CONVERSIONS

The appropriate forms for redeeming or converting Shares and details of the current limits on redemption and conversion are available from the Hong Kong Representative or the Transfer Agent. The limits on the redemption and conversion of Shares are set out in paragraph 29 of Appendix B of the Prospectus. Selected distributors may impose a charge on each conversion of those Shares acquired through it, as agreed upon between investor and the selected distributor, which will be deducted at the time of conversion and paid to the relevant distributor. While other conversions between the same Share Classes of two Funds are normally free of charge, the Management Company may, at its discretion (and without prior notice), make an additional conversion charge which would increase the amount paid to up to a maximum of 2% if excessively frequent conversions are made. Any such charges will be deducted at the time of conversion and paid to the relevant distributor or the Principal Distributor (as applicable).

Payment of redemption proceeds will normally be dispatched within three business days after the relevant dealing day (or, if the banks are not open for business on such third business day, on the next day on which they are open) and in any event within four weeks of the relevant Dealing Day, provided that the written confirmation has been received and all identification requirements have been met. On written request to the Transfer Agent, redemption proceeds may be made in HK dollars or any other freely convertible currency, at the investor's cost. In certain circumstances, payment of redemption proceeds may be delayed, further details are set out in the "**Redemption of Shares**" section, and paragraph 23 of Appendix B, of the Prospectus.

The Directors are entitled to levy a discretionary redemption charge of up to a maximum of 2% on Shareholders of all Share Classes of Shares where they believe that excessive trading is being practised.

Further details on the redemption process, in specie applications and redemptions and conversion of Shares are set out in the "**Redemption of Shares**" section, paragraphs 24-25 of Appendix B and "**Conversion of Shares**" section of the Prospectus respectively.

Subject to the system capability and operational and account compatibility of the relevant distributor, Shareholders may submit the relevant

application form to enable cashless subscriptions[3] by exchanging Shares from one Fund (the "**Original Fund**") into Shares of another Fund, or shares of such other fund for which BlackRock (Luxembourg) S.A. is the management company and which is also authorised[2] by the SFC (the "**New Fund**") on any Dealing Day. Investors should check with your distributor on the availability of cashless subscriptions, as this may vary depending on the particular distributor.

All terms and conditions regarding the redemption and subscription of Shares shall generally apply in the event of a cashless subscription. The minimum subscription, investor eligibility requirements and any additional requirements or conditions applicable to the New Fund must be satisfied. Subject to the valuation time of the relevant fund and the time required to remit redemption proceeds and enable a cashless subscription into the New Fund, the Dealing Day on which the shares are subscribed for in the New Fund may be later than (or in certain cases, the same as) the Dealing Day on which investments in the Original Fund are redeemed or the day on which the applications for cashless subscriptions are received. In no circumstances will the settlement date of the subscription to the New Fund precede the settlement date of the redemption of the Original Fund. Details can be obtained from the relevant distributor and Transfer Agent.

Applications for cashless subscriptions of Shares denominated in different currencies from the Shares of the Original Fund may be accepted. In such cases, the risk and cost of currency conversion and other related charges and expenses will be borne by the relevant investor. To ensure that this is permissible, contact your distributor and the Transfer Agent.

Investors are advised to carefully review the Hong Kong offering documents of the New Fund before proceeding with any cashless subscription for the New Fund.

**As tax laws differ widely from country to country, Shareholders should consult their tax advisers as to the tax implications of such a conversion in their individual circumstances.**

## INSTRUCTIONS GIVEN TO THE HONG KONG REPRESENTATIVE

Application, conversion and redemption instructions given to the Hong Kong Representative for transmission to the Transfer Agent are irrevocable once given (except in the case of suspension or deferral – see paragraphs 30 to 33 of Appendix B of the Prospectus). The Hong Kong Representative, the Transfer Agent and the Investor Servicing team cannot, in the absence of negligence, accept responsibility for any failure by the Hong Kong Representative to forward any application, conversion or redemption instruction to the Transfer Agent or for any delay in doing so.

## EXCHANGE PRIVILEGE

Hong Kong residents who have acquired their Shares through certain distributors will only be able to take advantage of the exchange privilege set out in the section headed "**Conversion of Shares – Exchange Privilege**" of the Prospectus if the fund in which they wish to invest is authorised by the SFC in Hong Kong. If the fund is not authorised by the SFC, it is not available to the public in Hong Kong. Further information of this exchange privilege is available from your financial advisor.

## NON-BUSINESS DAYS AND NON-DEALING DAYS

A list of the non-Business days and Business Days which will be treated as non-Dealing Days for certain Funds from time to time can be obtained from the Management Company upon request and is also available in the Library section at www.blackrock.co.uk/individual/library/index. This list will be updated annually and is subject to change (e.g. due to any ad hoc public holiday where the list will be updated as soon as possible once the Management Company is notified of such ad hoc public holiday). Investors should note that the website has not been authorised or reviewed by the SFC and may contain information of funds not authorised by the SFC.

## SUSPENSION OF VALUATIONS

The circumstances in which the valuations of any Shares Class of a Fund may be suspended are set out in paragraph 30 of Appendix B of the Prospectus. The Directors, may after consultation with the Depositary, having regard to the best interests of Shareholders, declare a suspension of the determination of the Net Asset Value. Whenever the Directors declare such a suspension, they shall immediately after any such declaration notify the SFC of such suspension and cause a notice to be published at www.blackrock.com/hk or in any other appropriate manner stating that such declaration has been made. In case of a prolonged suspension, notice(s) will be published and/or prominent message(s) will be posted on the website www.blackrock.com/hk or in any other appropriate manner at least once a month.

### UNCLAIMED LIQUIDATION PROCEEDS

Liquidation proceeds not claimed by Shareholders at close of liquidation of a Fund will be deposited at the Caisse de Consignation in Luxembourg and shall be forfeited after thirty years.

## DIVIDENDS

Dividends may be declared on Distributing Shares of Funds at the Directors' discretion. All declared dividends result in an immediate decrease in the Fund's Net Asset Value per share on ex-date, whether paid in cash or reinvested. Confirmation of the Funds, Share Classes and Currencies on which dividends may be declared is available from the registered office of the Company and the Investor Servicing team. Details of the dividends policy and the calculation of dividends are contained in the sections headed "**Dividends**" and "**Calculation of Dividends**" of the Prospectus.

Any distributions involving the payment of dividends out of capital, payment of dividends out of gross income or implied interest rate differentials arising from share class currency hedging amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Whilst all dividends paid result in an immediate reduction of the Net Asset Value per share, these share classes may pay larger dividends (i.e. by paying dividends out of capital, gross income or interest rate differentials

[3] A cashless subscription shall be treated as an application of the redemption proceeds (from the redemption of Shares of the Original Fund) for shares in the New Fund.

arising from share class currency hedging gains (if any)) which may therefore result in a larger reduction in the Net Asset Value per share.

Distributing (C), (G), (R), (S), (T) and (Y) Shares may pay dividends out of gross income while charging all or part of their fees and expenses to capital (i.e. payment of fees and expenses out of capital). This will result in an increase in distributable income available for payment as dividends, and therefore these share classes may effectively pay dividends out of capital.

In addition, Distributing (C), (R), (S), (T) and (Y) Shares may also pay dividends out of capital (including net realised and net unrealised capital gains) of the relevant share class at the Directors' discretion.

For Distributing (R) Shares, dividends may be calculated on the basis of expected gross income and interest rate differential arising from share class hedging; such dividends may therefore include interest rate differentials arising from share class currency hedging gains/losses which may increase/decrease dividends paid. Inclusion of any interest rate differential arising from share class currency hedging in the dividend calculation will be considered a distribution from capital or capital gains (i.e. Shareholders will forego capital gains as any currency hedging gains are distributed rather than added to capital, and currency hedging losses may decrease the dividends paid and in extreme cases may deduct from capital). Distributing (R) Shares employ the same currency hedging strategy as the other currency hedged shares in the relevant Fund and therefore the associated currency hedging risks also apply to the Distributing (R) Shares. For the avoidance of doubt, Distributing (R) Shares operate in the same way as other currency hedged shares of the relevant Fund and the only difference is that Distributing (R) Shares may distribute interest rate differentials arising from share class currency hedging while other currency hedged shares will not.

For Distributing (Y) Shares, the Dividend Threshold Amount will be available from the Hong Kong Representative. In certain circumstances (for example, based on the existing market conditions the gross income is expected to drop substantially), as determined by the Directors, the Dividend Threshold Amount may need to be reduced during the year.

The composition of the latest dividends (i.e. relative amounts paid from (i) net distributable income and (ii) capital) for the last 12 months are available from the Hong Kong Representative on request and on www.blackrock.com/hk. Investors should note that the website has not been authorised or reviewed by the SFC.

All other Distributing Shares pay dividends net of expenses, meaning fees are deducted from income.

The Directors may amend the dividend policy subject to the prior approval of the SFC and by giving not less than one month's written notice.

## TAXATION

**Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling shares under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and relief from, taxation can change.**

Hong Kong profits tax is charged on the Hong Kong sourced profits of an offshore fund that carries on a trade, business or profession in Hong Kong. The Fund believes that, as an offshore fund, it will be entitled to exemptions from this tax with respect to profits derived from (i) "specified transactions" (as defined in Revenue Ordinance 2006 (the "**Ordinance**")) arranged by BlackRock Asset Management North Asia Limited, a "specified person" (as defined in the Ordinance), and (ii) transactions "incidental" to carrying out specified transactions. However certain other types of transactions in which the Fund may engage may be subject to this tax, and if the Fund's "incidental" transactions exceed 5% of the total transactions effected, the incidental transactions will be subject to the profits tax.

The Fund will be subject to Hong Kong stamp duty when it buys or sells Hong Kong stocks, either listed or unlisted securities of Hong Kong companies. Stamp duty is also chargeable on any contract note for the transfer of Hong Kong stock by way of sale and purchase.

The foregoing statements on taxation are given on the basis of the Company's understanding of present legislation and practice in Hong Kong.

### Foreign Account Tax Compliance Act ("FATCA")

On 28 March 2014 a Model 1 Intergovernmental Agreement ("**IGA**") was signed between the Government of the United States of America and the Government of the Grand Duchy of Luxembourg to implement FATCA. Accordingly, reporting to the IRS will be made indirectly through the Luxembourg tax authorities rather than by the individual financial institutions in scope, such as the Company.

As a Reporting Financial Institution under FATCA the Company is subject to the applicable penalties if there is "significant non-compliance" with its obligations under the IGA. If enforcement actions do not resolve the non-compliance within a period of 18 months the IRS may take further action and the Company could be declared a Non-participating Financial Institution.

FATCA potentially imposes a 30% withholding tax on certain payments of US source income (including interest and dividends) and not before 1 January 2019 on the gross proceeds of sale of certain US assets that can produce US source income. Although the Company expects to satisfy any obligations imposed on it to avoid the imposition of any FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the Net Asset Value may be adversely affected and Shareholders may suffer material loss.

Shareholders and prospective investors should consult their own tax advisers regarding the potential tax consequences/implications of FATCA in respect of an investment in the Company.

## REPORTS AND ACCOUNTS

The financial year of the Company ends on 31st August in each year. The annual report (available in English only) containing the audited financial accounts of the Company and of each of the Funds in respect of the preceding financial period is available within four months of the relevant year-end. An unaudited interim report (available in English only) is available within two months of the end of the relevant half-

year. When the aforementioned reports are made available within the aforementioned timeframe, electronic versions of these reports will be available on the Company's website at www.blackrock.com/hk. Investors should note that the website has not been authorised or reviewed by the SFC.

**BlackRock Asset Management North Asia Limited**
**貝萊德資產管理北亞有限公司**
**16th Floor Champion Tower**
**3 Garden Road**
**Central**
**Hong Kong**
**Telephone: +852 3903-2688**

November 2026

## Appendix A
## Available Share Class Information

Investors should check with the Hong Kong Representative or distributors for the different currency share classes available for each of the sub-fund.

**Share classes and Features:**

| Share Class | Distribution Type | Distribution Frequency | Gross/Net Distribution |
|---|---|---|---|
| A1/C1 | Distributing (D) | Monthly^ | Net |
| A2/C2/D2 | Non-Distributing | – | – |
| A3(G)/D3(G)<br>A3/C3/D3 | Distributing (M) | Monthly | Gross<br>(limited sub-funds)<br>Net (all others) |
| A4(G)/C4(G)/D4(G)<br>A4/C4/D4 | Distributing (A) | Annual | Gross<br>(limited sub-funds)<br>Net (all others) |
| A5(G)/C5(G)/D5(G)<br>A5/C5/D5 | Distributing (Q) | Quarterly | Gross<br>(limited sub-funds)<br>Net (all others) |
| A6/C6/D6 | Distributing (S) | Monthly | Gross |
| A8/C8 | Distributing (R) | Monthly | Gross |
| A9 | Distributing (Y) | Quarterly | Gross |
| A10/D10 | Distributing (T) | Monthly | Gross |
| A11 | Distributing (C) | Monthly | Gross |

^ Distributions are calculated daily

| Fund Name | Available Share Classes | Base Currency | Additional Dealing Currencies (Unhedged) | Additional Dealing Currencies (Hedged) |
|---|---|---|---|---|
| AI Innovation Fund | A2, A10, C2, D2 | USD | EUR, GBP | AUD, JPY, RMB, SGD, HKD |
| Asia Pacific Bond Fund | A2, A6, D2 | USD | EUR | EUR |
| Asian Dragon Fund | A2, A4, A5, C2, D2, D3, D4 | USD | EUR, GBP | AUD, CHF, EUR, PLN, SGD |
| Asian High Yield Bond Fund | A2, A5, A6, A8, A10, D2, D3, D6 | USD | | AUD, EUR, GBP, HKD, RMB, SGD |
| Asian Multi-Asset Income Fund | A2, A6, D6 | USD | | AUD, CAD, EUR, GBP, HKD, JPY, RMB, SGD |
| Asian Tiger Bond Fund | A1, A2, A3, A6, A8, A10, C1, C2, D2, D3, D4, D6 | USD | | AUD, CAD, EUR, GBP, HKD, NZD, RMB, SGD, ZAR |
| China Bond Fund | A2, A3, A6, A8, A10, C2, D2, D3, D4, D6 | RMB | CHF, EUR, HKD, SGD, USD | AUD, CAD, EUR, GBP, HKD, JPY, NZD, SGD, USD |
| China Fund | A2, A4, A10, C2, D2, D4 | USD | EUR, HKD | AUD, EUR, GBP, RMB, SGD |
| China Onshore Bond Fund | A2, A6, A8, A10 | RMB | | AUD, HKD, SGD, USD |
| Circular Economy Fund | A2, A4, A5(G), A10, C2, D2 | USD | EUR | AUD, CAD, EUR, GBP, HKD, NZD, RMB, SGD |
| Continental European Flexible Fund | A2, A4, C2, D2, D4 | EUR | GBP, USD | GBP, USD |
| Dynamic High Income Fund | A2, A6, A8, A11, D2, D5(G), D6 | USD | EUR | AUD, CAD, CHF, EUR, GBP, HKD, JPY, NZD, RMB, SGD, ZAR |
| Dynamic Infrastructure Opportunities Fund | A2, D2 | USD | EUR | |
| Emerging Europe Fund | A2, A4, C2, D2, D4 | EUR | GBP, USD | GBP, SGD |
| Emerging Markets Ex-China Fund | A2, A4, C2, D2, D4 | USD | GBP | EUR, GBP, SGD |
| Emerging Markets Bond Fund | A1, A2, A3, A4, A6, A8, A10, C1, C2, D2, D3 | USD | CZK, EUR | AUD, CAD, EUR, GBP, HKD, NZD, RMB, ZAR |
| Emerging Markets Corporate Bond Fund | A2, A6, D2, D3, D6 | USD | | EUR, GBP, SGD |
| Emerging Markets Equity Income Fund | A2, A5(G), A6, A8, D2, D5(G) | USD | EUR, GBP | AUD, CAD, EUR, GBP, HKD, NZD, RMB, SGD |
| Emerging Markets Fund | A2, A4, C2, D2 | USD | CZK, EUR | EUR |
| Emerging Markets Local Currency Bond Fund | A1, A2, A3, A4, A6, A8, C1, C2, D2, D3, D4, D5 | USD | CHF, CZK, EUR, GBP, HKD | AUD, CAD, CHF, EUR, GBP, HKD, NZD, PLN, SEK, SGD |
| ESG Multi-Asset Fund | A2, A4, A8, A10, C2, D2 | EUR | | AUD, RMB, SGD, USD, ZAR |
| Euro Bond Fund | A1, A2, A3, A4, C2, D2, D3, D4 | EUR | CZK, GBP, USD | CHF, GBP, JPY, PLN, USD |
| Euro Corporate Bond Fund | A1, A2, A3, A10, C2, | EUR | CZK | AUD, CHF, GBP, HKD, RMB, SEK, SGD, USD |

| Fund Name | Available Share Classes | Base Currency | Additional Dealing Currencies (Unhedged) | Additional Dealing Currencies (Hedged) |
|---|---|---|---|---|
| | D2, D3 | | | |
| Euro-Markets Fund | A2, A4, C2, D2, D4 | EUR | GBP, USD | CHF, GBP, HKD, SGD, USD |
| Euro Reserve Fund | A2, C2, D2 | EUR | | |
| Euro Short Duration Bond Fund | A1, A2, A3, A4, C2, D2, D3, D4 | EUR | | CHF, GBP, USD |
| European Blend Equity Fund | A2, A4, C2, D2 | EUR | USD | AUD, CAD, GBP, HKD, RMB, USD |
| European Equity Income Fund | A2, A4(G), A5(G), A6, A8, D2, D3(G), D4(G), D5(G), D6 | EUR | GBP, SGD, USD | AUD, CAD, GBP, HKD, NZD, RMB, SGD, USD |
| European Fund | A2, A4, C2, D2, D4 | EUR | GBP, USD | AUD, CAD, GBP, HKD, NZD, RMB, SGD, USD |
| European High Yield Bond Fund | A2, D2, D4 | EUR | | CHF, GBP, SEK |
| European Value Fund | A2, A4, C2, D2, D4 | EUR | GBP, USD | AUD, HKD, RMB, USD |
| FinTech Fund | A2, A4, C2, D2 | USD | EUR, SEK | EUR, GBP, SGD |
| Fixed Income Global Opportunities Fund | A1, A2, A3, A3(G), A4, A5, A6, A8, A10, C1, C2, C5, D2, D4, D5 | USD | EUR | AUD, CAD, CHF, EUR, GBP, HKD, JPY, PLN, RMB, SEK, SGD |
| Future Of Transport Fund | A2, A4, A10, C2, D2 | USD | EUR, SEK | EUR, GBP, RMB, SGD |
| Global Allocation Fund | A2, A4, A9, A10, A11, C2, D2, D4, D10 | USD | EUR, GBP, HUF | AUD, CHF, CNH, EUR, GBP, HKD, JPY, PLN, RMB, SGD, ZAR |
| Global Bond Income Fund | A2, A3(G), A6, A8, A10, D2, D6 | USD | EUR | AUD, CAD, CHF, EUR, GBP, HKD, JPY, NZD, RMB, SGD |
| Global Corporate Bond Fund | A2, A3, A3(G), A4, A5, A6, A8, A10, D2, D5 | USD | | AUD, CAD, EUR, GBP, HKD, JPY, NZD, RMB, SEK, SGD, ZAR |
| Global Dynamic Equity Fund | A2, A4, C2, D2, D4 | USD | EUR | EUR, RMB |
| Global Equity Income Fund | A2, A4(G), A5(G), A6, A8, A10, C2, C5(G), D2, D4(G), D5(G) | USD | EUR, GBP | AUD, CHF, EUR, GBP, HKD, PLN, RMB, SGD, ZAR |
| Global Government Bond Fund | A1, A2, A3, C1, C2, C3, D2, D3 | USD | | EUR, GBP, HKD |
| Global High Yield Bond Fund | A1, A2, A3, A5, A6, A8, A10, C1, C2, D2, D3, D5 | USD | EUR | AUD, EUR, GBP, HKD, JPY, PLN, RMB, SEK, SGD, ZAR |
| Global Inflation Linked Bond Fund | A2, A3, A10, C2, C3, D2, D3 | USD | | EUR |
| Global Long-Horizon Equity Fund | A2, A4, C2, D2, D4 | USD | EUR, GBP | SGD |
| Global Multi-Asset Income Fund | A2, A3(G), A4(G), A5(G), A6, A8, C2, C6, D2, D4(G), D6 | USD | EUR | AUD, CAD, CHF, EUR, GBP, HKD, JPY, NZD, RMB, SGD |
| Global Unconstrained Equity Fund | A2, C2, D2 | USD | EUR | HKD, RMB, SGD |
| India Fund | A2, A4, C2, D2, D4 | USD | EUR, GBP | |
| Japan Flexible Equity Fund | A2, A4, A10, C2, D2, D4 | JPY | EUR, GBP, USD | EUR, HKD, SGD, USD |
| Japan Small & MidCap Opportunities Fund | A2, A4, A10, C2, D2, D4 | JPY | EUR, GBP, USD | EUR, HKD, USD |
| Latin American Fund | A2, A4, C2, D2, D4 | USD | EUR, GBP | AUD, CHF, EUR, GBP, HKD, PLN, SGD |
| MyMap Cautious Fund | A2, A6, A10, D2 | EUR | | AUD, CAD, GBP, HKD, RMB, USD |
| MyMap Growth Fund | A2, A6, A10, D2 | EUR | | AUD, CAD, GBP, HKD, RMB, USD |
| MyMap Moderate Fund | A2, A6, A10, D2 | EUR | | AUD, CAD, GBP, HKD, RMB, USD |
| Natural Resources Fund | A2, A3(G), A4(G), A5(G), D2 | USD | EUR | EUR |
| Next Generation Technology Fund | A2, A4, A10, C2, D2 | USD | EUR, GBP, SEK | AUD, CHF, EUR, GBP, HKD, NZD, RMB, SGD |
| Sustainable Energy Fund | A2, A4, A10, C2, D2, D4 | USD | EUR, GBP | AUD, CAD, EUR, GBP, HKD, NZD, RMB, SGD |
| Swiss Small & MidCap Opportunities Fund | A2, D2, D3 | CHF | | |
| Systematic Asia Pacific Equity High Income Fund | A2, A5, A6, D2, D6 | USD | | AUD, CAD. CHF, CNH, EUR, GBP, HKD, JPY, SGD, NZD |
| Systematic China A-Share Opportunities Fund | A2, D2 | USD | GBP, RMB | EUR, SGD |
| Systematic Global Equity High Income Fund | A2, A4(G), A5(G), A6, A8, A11, C2, C5(G), D2, D4(G), D5(G), D6 | USD | | AUD, CAD, CHF, EUR, GBP, HKD, JPY, NZD, RMB, SGD, ZAR |
| Systematic Global Income & Growth Fund | A2, A5(G), A6, A8, A11, D2, D6 | USD | | AUD, EUR, GBP, HKD, JPY, RMB, SGD, ZAR |
| Systematic Global SmallCap Fund | A2, C2, D2 | USD | EUR | AUD |
| Systematic Nasdaq Equity High Income Fund | A2, A5, A6, D2, D6 | USD | | AUD, CAD. CHF, CNH, EUR, GBP, HKD, JPY, SGD |
| United Kingdom Fund | A2, A4, C2, D2, D4 | GBP | EUR, USD | |
| US Basic Value Fund | A2, A4, A10, C2, D2, | USD | EUR, GBP | EUR, RMB, SGD |

| Fund Name | Available Share Classes | Base Currency | Additional Dealing Currencies (Unhedged) | Additional Dealing Currencies (Hedged) |
|---|---|---|---|---|
| | D4 | | | |
| US Dollar Bond Fund | A1, A2, A3, A10, C1, C2, D2, D3 | USD | CZK | GBP, SGD |
| US Dollar High Yield Bond Fund | A1, A2, A3, A4, A6, A8, A10, C1, C2, D2, D3, D4 | USD | EUR | AUD, CAD, CHF, EUR, GBP, HKD, JPY , NZD, RMB, SGD, ZAR |
| US Dollar Reserve Fund | A2, C2, D2 | USD | | GBP |
| US Dollar Short Duration Bond Fund | A1, A2, A3, A3(G), A10, C1, C2, D2, D3. D3(G) | USD | EUR, HKD | AUD, EUR, HKD, RMB, SGD |
| US Flexible Equity Fund | A2, A4, C2, D2, D4 | USD | EUR, GBP | CZK, EUR, JPY, RMB, SGD |
| US Growth Fund | A2, A4, A10, C2, D2, D4 | USD | EUR | EUR |
| US Mid-Cap Value Fund | A2, C2, D2 | USD | EUR | AUD |
| World Bond Fund | A1, A2, A3, A6, A8, C1, D2, D3 | USD | EUR | CHF, EUR, GBP, RMB, SGD |
| World Energy Fund | A2, A4, A10, C2, D2, D4 | USD | EUR, GBP | AUD, CHF, EUR, HKD, SGD |
| World Financials Fund | A2, A4, A10, C2, D2, D10 | USD | EUR, GBP | HKD, SGD |
| World Gold Fund | A2, A4, A10, C2, D2, D4 | USD | EUR | AUD, CHF, EUR, GBP, HKD, PLN, RMB, SGD |
| World Healthscience Fund | A2, A4, A10, C2, D2, D4, D5 | USD | EUR, GBP | AUD, EUR, HKD, JPY, RMB, SGD |
| World Mining Fund | A2, A4, A10, C2, D2, D4 | USD | EUR, GBP | AUD, CHF, EUR, GBP, HKD, PLN, SGD |
| World Real Estate Securities Fund | A2, A6, A8, A10, D2, D6 | USD | | CHF, EUR, HKD, RMB, SGD |
| World Technology Fund | A2, A4, A10, C2, D2 | USD | EUR, GBP, HKD, SGD | AUD, EUR, JPY, RMB, SGD |

BlackRock
貝萊德

17 SEPTEMBER 2026

# Luxembourg Prospectus

## BlackRock Global Funds

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Contents


| | Page |
|---|---|
| Introduction to BlackRock Global Funds | 2 |
| Important Notice | 5 |
| Distribution | 5 |
| Management and Administration | 6 |
| Enquiries | 6 |
| Board of Directors | 7 |
| Glossary | 8 |
| Investment Management of the Funds | 13 |
| Risk Considerations | 15 |
| Specific Risk Considerations | 23 |
| Excessive Trading Policy | 50 |
| Investment Objectives and Policies | 51 |
| Classes and Form of Shares | 154 |
| Dealing in Fund Shares | 157 |
| Prices of Shares | 158 |
| Application for Shares | 158 |
| Redemption of Shares | 160 |
| Conversion of Shares | 160 |
| Calculation of Dividends | 164 |
| Fees, Charges and Expenses | 167 |
| Taxation | 169 |
| Meetings and Reports | 172 |
| Appendix A - Investment and Borrowing Powers and Restrictions | 173 |
| Appendix B - Summary of Certain Provisions of the Articles and of Company Practice | 185 |
| Appendix C - Additional Information | 192 |
| Appendix D - Authorised Status | 198 |
| Appendix E - Summary of Charges and Expenses | 205 |
| Appendix F - List of Depositary Delegates | 225 |
| Appendix G - Securities Financing Transaction Disclosures | 227 |
| Summary of Subscription Procedure and Payment Instructions | 233 |
| Appendix H - SFDR Pre-Contractual Disclosure | 234 |

## Introduction to BlackRock Global Funds

**Structure**

BlackRock Global Funds (the "Company") is a public limited company (société anonyme) established under the laws of the Grand Duchy of Luxembourg as an open-ended variable capital investment company (société d'investissement à capital variable). The Company has been established on 14 June 1962 and its registration number in the Registry of the Luxembourg Trade and Companies Register is B 6317. The Company has been authorised by the Commission de Surveillance du Secteur Financier (the "CSSF") as an undertaking for collective investments in transferable securities pursuant to the provisions of Part I of the law of 17 December 2010, as amended from time to time and, for some of its Funds pursuant to the provisions of the MMF Regulations and is regulated pursuant to such law and regulations, respectively. Authorisation by the CSSF is not an endorsement or guarantee of the Company by the CSSF nor is the CSSF responsible for the contents of this Prospectus. The authorisation of the Company shall not constitute a warranty as to performance of the Company and the CSSF shall not be liable for the performance or default of the Company.

The articles of association governing the Company (the "Articles") have been deposited with the Luxembourg Trade and Companies Register. The Articles have been amended and restated several times, most recently on 4 February 2019 and published in the Recueil Electronique des Sociétés et Associations ("RESA"), on 25 February 2019.

The Company is an umbrella structure comprising separate compartments with segregated liability. Each compartment shall have segregated liability from the other compartments and the Company shall not be liable as a whole to third parties for the liabilities of each compartment. Each compartment shall be made up of a separate portfolio of investments maintained and invested in accordance with the investment objectives applicable to such compartment, as specified herein. The Directors are offering separate classes of Shares, each representing interests in a compartment, on the basis of the information contained in this Prospectus and in the documents referred to herein which are deemed to be an integral part of this Prospectus.

**Management**

The Company is managed by BlackRock (Luxembourg) S.A., a public limited company (société anonyme) established in 1988 under registration number B 27689. The Management Company has been authorised by the CSSF to manage the business and affairs of the Company pursuant to chapter 15 of the 2010 Law.

**Choice of Funds**

As of the date of this Prospectus, investors are able to choose from the following Funds of the Company:

| Fund | Base Currency | Bond/Equity or Mixed Fund | Short Term VNAV Money Market Fund |
|---|---|---|---|
| 1. AI Innovation Fund | USD | E | |
| 2. Asian Dragon Fund | USD | E | |
| 3. Asian High Yield Bond Fund | USD | B | |
| 4. Asian Multi-Asset Income Fund | USD | M | |
| 5. Asia Pacific Bond Fund | USD | B | |
| 6. Asian Tiger Bond Fund | USD | B | |
| 7. Brown to Green Materials Fund | USD | E | |
| 8. China Bond Fund | RMB | B | |
| 9. China Fund | USD | E | |
| 10. China Multi-Asset Fund | USD | M | |
| 11. China Onshore Bond Fund | RMB | B | |
| 12. Circular Economy Fund | USD | E | |
| 13. Climate Transition Multi-Asset Fund | EUR | M | |
| 14. Continental European Flexible Fund | EUR | E | |
| 15. Diversified Tactical Fund | USD | M | |
| 16. Dynamic High Income Fund | USD | M | |
| 17. Dynamic Infrastructure Opportunities Fund | USD | E | |
| 18. Emerging Europe Fund | EUR | E | |
| 19. Emerging Markets Bond Fund | USD | B | |
| 20. Emerging Markets Corporate Bond Advanced Fund | USD | B | |
| 21. Emerging Markets Corporate Bond Fund | USD | B | |
| 22. Emerging Markets Equity Income Fund | USD | E | |
| 23. Emerging Markets Ex-China Fund | USD | E | |
| 24. Emerging Markets Fund | USD | E | |
| 25. Emerging Markets Impact Bond Fund | USD | B | |
| 26. Emerging Markets Local Currency Bond Fund | USD | B | |
| 27. Emerging Markets Sustainable Equity Fund | USD | E | |
| 28. ESG Emerging Markets Blended Bond Fund | USD | B | |

| Fund | Base Currency | Bond/Equity or Mixed Fund | Short Term VNAV Money Market Fund |
|---|---|---|---|
| 29. ESG Emerging Markets Bond Fund | USD | B | |
| 30. ESG Emerging Markets Local Currency Bond Fund | USD | B | |
| 31. ESG Multi-Asset Fund | EUR | M | |
| 32. Euro Bond Fund | EUR | B | |
| 33. Euro Corporate Bond Fund | EUR | B | |
| 34. Euro High Yield Fixed Maturity Bond Fund 2027 | EUR | B | |
| 35. Euro High Yield Fixed Maturity Bond Fund 2028 | EUR | B | |
| 36. Euro High Income Fixed Maturity Bond Fund 2030 | EUR | B | |
| 37. Euro High Income Fixed Maturity Bond Fund 2031 | EUR | B | |
| 38. Euro Income Fixed Maturity Bond Fund 2029 | EUR | B | |
| 39. Euro Income Fixed Maturity Bond Fund 2030 | EUR | B | |
| 40. Euro Income Fixed Maturity Bond Fund 2031 II | EUR | B | |
| 41. Euro Income Fixed Maturity Bond Fund 2031 | EUR | B | |
| 42. Euro Investment Grade Fixed Maturity Bond Fund 2027 (1) | EUR | B | |
| 43. Euro Investment Grade Fixed Maturity Bond Fund 2028 | EUR | B | |
| 44. Euro Reserve Fund | EUR | | MMF |
| 45. Euro Short Duration Bond Fund | EUR | B | |
| 46. Euro-Markets Fund | EUR | E | |
| 47. European Equity Income Fund | EUR | E | |
| 48. European Equity Transition Fund | EUR | E | |
| 49. Euro Flexible Income Bond Fund | EUR | B | |
| 50. European Fund | EUR | E | |
| 51. European High Yield Bond Fund | EUR | B | |
| 52. European Multi-Asset Income Fund | EUR | M | |
| 53. European Blend Equity Fund | EUR | E | |
| 54. European Sustainable Equity Fund* | EUR | E | |
| 55. European Value Fund | EUR | E | |
| 56. FinTech Fund | USD | E | |
| 57. Fixed Income Global Opportunities Fund | USD | B | |
| 58. Future Of Transport Fund | USD | E | |
| 59. Global Allocation Fund | USD | M | |
| 60. Global Bond Income Fund | USD | B | |
| 61. Global Corporate Bond Fund | USD | B | |
| 62. Global Dynamic Equity Fund | USD | E | |
| 63. Global Equity Income Fund | USD | E | |
| 64. Global Government Bond Fund | USD | B | |
| 65. Global High Yield Bond Fund | USD | B | |
| 66. Global Inflation Linked Bond Fund | USD | B | |
| 67. Global Listed Infrastructure Fund | USD | E | |
| 68. Global Long-Horizon Equity Fund | USD | E | |
| 69. Global Multi-Asset Income Fund | USD | M | |
| 70. Global Securitised Fund | USD | B | |
| 71. Global Smaller Companies Fund | USD | E | |
| 72. Global Unconstrained Equity Fund | USD | E | |
| 73. Impact Bond Fund* | EUR | B | |
| 74. India Fund | USD | E | |
| 75. Japan Flexible Equity Fund | Yen | E | |
| 76. Japan Small & MidCap Opportunities Fund | Yen | E | |
| 77. Latin American Fund | USD | E | |

| Fund | Base Currency | Bond/Equity or Mixed Fund | Short Term VNAV Money Market Fund |
|---|---|---|---|
| 78. MENA Bond Fund | USD | B | |
| 79. Multi -Theme Equity Fund | USD | F | |
| 80. MyMap Cautious Fund | EUR | F | |
| 81. MyMap Growth Fund | EUR | F | |
| 82. MyMap Moderate Fund | EUR | F | |
| 83. Natural Resources Fund | USD | E | |
| 84. Next Generation Technology Fund | USD | E | |
| 85. Step Into Equity High Income Fund 2030 | EUR | M | |
| 86. Sukuk Fund | USD | B | |
| 87. Sustainable Energy Fund | USD | E | |
| 88. Sustainable Global Allocation Fund | USD | M | |
| 89. Swiss Small & MidCap Opportunities Fund | CHF | E | |
| 90. Systematic Asia Pacific Equity High Income Fund | USD | E | |
| 91. Systematic China A-Share Opportunities Fund | USD | E | |
| 92. Systematic China Environmental Tech Fund | USD | E | |
| 93. Systematic Islamic GCC Equity Fund | USD | E | |
| 94. Systematic Islamic Saudi Arabia Equity Fund | SAR | E | |
| 95. Systematic Multi Allocation Credit Fund | USD | B | |
| 96. Systematic Global Equity High Income Fund | USD | E | |
| 97. Systematic Global Income & Growth Fund | USD | M | |
| 98. Systematic Global SmallCap Fund | USD | E | |
| 99. Systematic Nasdaq Equity High Income Fund | USD | E | |
| 100. United Kingdom Fund | GBP | E | |
| 101. US Basic Value Fund | USD | E | |
| 102. US Dollar Bond Fund | USD | B | |
| 103. US Dollar High Yield Bond Fund | USD | B | |
| 104. US Dollar Reserve Fund | USD | | MMF |
| 105. US Dollar Short Duration Bond Fund | USD | B | |
| 106. US Flexible Equity Fund | USD | E | |
| 107. US Growth Fund | USD | E | |
| 108. US Mid-Cap Value Fund | USD | E | |
| 109. World Bond Fund | USD | B | |
| 110. World Energy Fund | USD | E | |
| 111. World Financials Fund | USD | E | |
| 112. World Gold Fund | USD | E | |
| 113. World Healthscience Fund | USD | E | |
| 114. World Islamic Gold Fund | USD | E | |
| 115. World Mining Fund | USD | E | |
| 116. World Real Estate Securities Fund | USD | E | |
| 117. World Technology Fund | USD | E | |

B Bond Fund

E Equity Fund

F Fund of Funds

M Mixed Fund

MMF Short Term VNAV Money Market Fund

**A list of Dealing Currencies, Hedged Share Classes, Distributing and Non-Distributing Share Classes and UK Reporting Fund status Classes is available from the Company's registered office and the local Investor Servicing team.**

***The European Sustainable Equity Fund and the Impact Bond Fund are being liquidated with effect from 23 September 2026 and are therefore no longer available for subscription as at the date of this Prospectus.***

## IMPORTANT NOTICE

**If you are in any doubt about the contents of this Prospectus or whether an investment in the Company is suitable for you, you should consult your stockbroker, solicitor, accountant, relationship manager or other professional adviser.**

The Directors of the Company, whose names appear in the section "Board of Directors", and the directors of the Management Company are the persons responsible for the information contained in this Prospectus. To the best knowledge and belief of the Directors and the directors of the Management Company (who have taken all reasonable care to ensure that such is the case), the information contained herein is accurate in all material respects and does not omit anything likely to affect the accuracy of such information. The Directors and the directors of the Management Company accept responsibility accordingly.

This Prospectus has been prepared solely for, and is being furnished to investors for the purpose of evaluating an investment in Shares in the Funds. Investment in the Funds is only suitable for investors seeking long-term capital appreciation (save for the Reserve Funds which may not be appropriate for investors who seek long-term capital appreciation) who understand the risks involved in investing in the Company, including the risk of loss of all capital invested.

**In considering an investment in the Company, investors should also take account of the following:**

- **certain information contained in this Prospectus, the documents referred to herein and any brochures issued by the Company as substitute offering documents constitutes forward-looking statements, which can be identified by the use of forward-looking terminology such as "seek", "may", "should", "expect", "anticipate", "estimate", "intend", "continue", "target" or "believe" or the negatives thereof or other variations thereof or comparable terminology and includes projected or targeted returns on investments to be made by the Company. Such forward-looking statements are inherently subject to significant economic, market and other risks and uncertainties and accordingly actual events or results or the actual performance of the Company may differ materially from those reflected or contemplated in such forward-looking statements; and**

- **nothing in this Prospectus should be taken as legal, tax, regulatory, financial, accounting or investment advice.**

**An application / decision to subscribe for Shares should be made on the basis of the information contained in this Prospectus which is issued by the Company and in the most recent annual and (if later) interim report and accounts of the Company which are available at the registered office of the Company. Information updating this Prospectus may, if appropriate, appear in the report and accounts.**

This Prospectus, and the KID for the relevant Share Class, should each be read in their entirety before making an application for Shares. KIDs for each available Share Class can be found at: http://kiid.blackrock.com

Statements made in this Prospectus are based on laws and practices in force at the date hereof and are subject to changes therein. Neither the delivery of this Prospectus nor the issue of Shares will, in any circumstances, imply that there has been no change in the circumstances affecting any of the matters contained in this Prospectus since the date hereof.

**This Prospectus may be translated into other languages provided that any such translation shall be a direct translation of the English text. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail, except to the extent (and only to the extent) that the laws of a jurisdiction require that the legal relationship between the Company and investors in such jurisdiction shall be governed by the local language version of this Prospectus.**

**Any Shareholder in the Company will only be able to fully exercise its Shareholder rights directly against the Company, and in particular the right to participate in general meetings of Shareholders, where such Shareholder is registered in its own name in the register of Shareholders for the Company. In cases where an investor (a "Beneficial Shareholder") invests in the Company through an intermediary (whereby the intermediary holds the Shares in its own name but on behalf of the Beneficial Shareholder), (i) it may not always be possible for such Beneficial Shareholder to exercise certain of its shareholder rights in the Company and (ii) Beneficial Shareholder's right to be compensated in case of Net Asset Value calculation errors, non-compliance with investment rules and/or other errors as set out in Circular CSSF 24/856 of 28 March 2024 may be affected. Beneficial Shareholders are therefore advised to seek legal advice in respect of the above.**

### Distribution

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. Details of certain countries in which the Company is currently authorised to offer Shares are contained in Appendix D. Prospective investors for Shares should inform themselves as to the legal requirements of applying for Shares and of applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile. US Persons are not permitted to subscribe for Shares. The Funds are not registered for distribution in India. In some countries investors may be able to subscribe for Shares through regular savings plans. Under Luxembourg law, the fees and commissions relating to regular savings plans during the first year must not exceed one third of the amount contributed by the investor. These fees and commissions do not include premiums to be paid by the investor where the regular savings plan is offered as part of a life insurance or whole life insurance product. Please contact the local Investor Servicing team for more details.

# DIRECTORY

## Management and Administration

**Management Company**
BlackRock (Luxembourg) S.A.
35 A, avenue J.F. Kennedy,
L-1855 Luxembourg,
Grand Duchy of Luxembourg

**Investment Advisers**
BlackRock Financial Management, Inc.
100 Bellevue Parkway,
Wilmington,
Delaware 19809,
USA

BlackRock Investment Management, LLC
100 Bellevue Parkway,
Wilmington,
Delaware 19809,
USA

BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue,
London EC2N 2DL,
UK

BlackRock (Singapore) Limited
#18-01 Twenty Anson,
20 Anson Road,
Singapore, 079912

**Principal Distributor**
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue,
London EC2N 2DL,
UK

**Depositary**
The Bank of New York Mellon SA / NV, Luxembourg Branch
2-4, rue Eugène Ruppert,
L-2453 Luxembourg,
Grand Duchy of Luxembourg

**QFI Custodian**
HSBC Bank (China) Company Limited
33rd Floor, HSBC Building,
Shanghai ifc, 8 Century Avenue,
Pudong, Shanghai,
China 200120

**Fund Accountant**
The Bank of New York Mellon SA / NV, Luxembourg Branch
2-4, rue Eugène Ruppert,
L-2453 Luxembourg,
Grand Duchy of Luxembourg

**Transfer Agent and Registrar**
J.P. Morgan SE, Luxembourg Branch
6C, route de Trèves,
L-2633 Senningerberg,
Grand Duchy of Luxembourg

**Auditor**
Ernst & Young S.A.
35E, avenue John F. Kennedy,
L-1855 Luxembourg,
Grand Duchy of Luxembourg

**Legal Advisers**
Arendt & Medernach S.A.
41A, avenue John F. Kennedy,
L-2082 Luxembourg,
Grand Duchy of Luxembourg

**Listing Agent**
J.P. Morgan SE, Luxembourg Branch
6C, route de Trèves,
L-2633 Senningerberg,
Grand Duchy of Luxembourg

**Paying Agents**
A list of Paying Agents is to be found in paragraph 15. of Appendix C.

**Registered Office**
2-4, rue Eugène Ruppert,
L-2453 Luxembourg,
Grand Duchy of Luxembourg

## Enquiries

Post:
BlackRock Investment Management (UK) Limited
c/o BlackRock (Luxembourg) S.A.
P.O. Box 1058
L-1010 Luxembourg
Grand Duchy of Luxembourg

Fax: +352 462 685 894
https://www.blackrock.com/uk/contact-us

**Chairwoman**
Denise Voss

## Board of Directors

Bettina Mazzocchi
Geoffrey Radcliffe
Davina Saint
Vasiliki Pachatouridi
Benjamin Gregson

Benjamin Gregson, Bettina Mazzocchi, and Vasiliki Pachatouridi are employees of the BlackRock Group (of which the Management Company, Investment Advisers and Principal Distributor are part), and Geoffrey Radcliffe is a former employee of the BlackRock Group.

All Directors of the Company are non-executive Directors.

**2010 Law**
means the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, modified or supplemented from time to time.

**2013 Law**
means the Luxembourg law of 12 July 2013 on alternative investment fund managers, as amended, modified or supplemented from time to time.

**AAOIFI**
means the Accounting and Auditing Organization for Islamic Financial Institutions.

**AAOIFI Standards**
mean Shari'ah standards issued by the AAOIFI, as amended from time to time.

**Base Currency**
means in relation to Shares of any Fund, the currency indicated in the section "Choice of Funds".

**BlackRock EMEA Baseline Screens Policy**
means the limits and/or exclusions applied by the Investment Advisers on relevant Funds (where referenced in their investment objectives and policies) available at https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**BlackRock Group**
means the BlackRock group of companies, the ultimate holding company of which is BlackRock, Inc.

**Bond Connect**
means the initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China as described in the section entitled "China Interbank Bond Market" in the "Investment Objectives and Policies" section of this Prospectus.

**BRL**
means Brazilian Real, the lawful currency of Brazil.

**Business Day**
means, for all Funds except Shari'ah Funds, any day normally treated by the banks in Luxembourg as a business day (except for Christmas Eve) and such other days as the Directors may decide. For Shari'ah Funds, Business Day means, Monday, Tuesday, Wednesday and Thursday, unless this day is not a day normally treated by the banks in Luxembourg, Saudi Arabia and in countries of the Gulf Cooperation Council (the "GCC") as a business day (except for Christmas Eve) and any other days as the Directors may decide.

The Management Company may also take into account whether relevant local exchanges are open for Funds that invest a substantial amount in assets outside the Eurozone, and/or whether relevant currency exchange vendors are open for Funds that have substantial exposure to a currency other than their respective Base Currency, and may elect to treat such closures as non-business days. Information regarding closures of local exchanges or currency exchange vendors treated by the Management Company as non-business days will be available before such a non-business day and can be obtained from the registered office of the Company and from the local Investor Servicing team.

**CDSC**
means a contingent deferred sales charge as set out in the section "Contingent Deferred Sales Charge".

**China A-Shares**
means securities of companies that are incorporated in the PRC and denominated and traded in Renminbi on the SSE and SZSE.

**China Interbank Bond Market**
means the Mainland China interbank bond markets of the PRC.

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

**CIBM Funds**
Asian High Yield Bond Fund, Asian Multi-Asset Income Fund, Asian Tiger Bond Fund, China Bond Fund, China Multi-Asset Fund, China Onshore Bond Fund, Dynamic High Income Fund, Emerging Markets Bond Fund, Emerging Markets Corporate Bond Advanced Fund, Emerging Markets Corporate Bond Fund, Emerging Markets Impact Bond Fund, Emerging Markets Local Currency Bond Fund, ESG Emerging Markets Blended Bond Fund, ESG Emerging Markets Bond Fund, ESG Emerging Markets Local Currency Bond Fund, ESG Multi-Asset Fund, Fixed Income Global Opportunities Fund, Global Allocation Fund, Global Bond Income Fund, Global Corporate Bond Fund, Global Government Bond Fund, Global Multi-Asset Income Fund, Sustainable Global Allocation Fund, US Dollar Bond Fund, US Dollar Short Duration Bond Fund, and World Bond Fund.

**CIS**
means Collective Investment Scheme.

**CMA**
means the Capital Market Authority of the Kingdom of Saudi Arabia

**CSRC**
means the China Securities Regulatory Commission of the PRC or its successors which is the regulator of the securities and futures market of the PRC.

**Dealing Currency**
means the currency or currencies in which applicants may currently subscribe for the Shares of any Fund. Dealing Currencies may be introduced at the Directors' discretion. Confirmation of the Dealing Currencies and the date of their availability can be obtained from the registered office of the Company and from the local Investor Servicing team.

**Dealing Day**
means any Business Day other than any day declared as a non-dealing day by the Directors as further described in the section "Non-Dealing Days" and any day falling within a period of suspension of subscriptions, redemptions and conversions and/or such other day determined by the Directors to be a day when a Fund is open for dealing.

**Directors**
means the members of the board of directors of the Company for the time being and any successors to such members as may be appointed from time to time.

**Distributing Funds and Distributing Shares**
means a Fund or a Share Class for which dividends may be declared, at the Directors' discretion. Distributing Shares may also be treated as UK Reporting Fund status Shares. Confirmation of the Funds, Share Classes and Currencies on which dividends may be declared and Share Classes which are UK Reporting Fund status Shares (please see below for more details) is available from the registered office of the Company and from the local Investor Servicing team.

**Dividend Threshold Amount**
means such minimum dividend yield set on an annual basis for the period 1 January each year to 31 December each year and which will be paid to investors as determined by the Directors in respect of the Distributing (Y) Shares. The Dividend Threshold Amount is available from the local Investor Servicing Team. In certain circumstances, as determined by the Directors', the Dividend Threshold Amount may need to be reduced during the year. Shareholders will be notified of this, where possible, in advance.

**Equity Income Funds**
means the Emerging Markets Equity Income Fund, European Equity Income Fund and Global Equity Income Fund.

**ESG**
Refers to "environmental, social and governance" criteria, which are three central factors used in measuring the sustainability and ethical impact of an investment in securities of an issuer. By way of example, "environmental" may cover themes such as climate risks and natural resources scarcity, "social" may include labour issues and product liability risks such as data security and "governance" may encompass items such as business ethics and executive pay. These are only examples and do not necessarily determine the policy of any specific ESG Fund. Investors should refer to the investment policy of an ESG Fund, including any website referred to in such investment policy, for more detailed information.

**ESG Fund**
means a Fund which uses ESG criteria as part of its investment strategy.

**ESG Provider**
means a provider of ESG research, reports, screening, ratings and/or analysis including, without limitation, third party index providers, ESG consultancies or members of the BlackRock Group.

**Euro**
means the single European currency unit (referred to in Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the Euro) and, at the Investment Adviser's discretion, the currencies of any countries that have previously formed part of the Eurozone. As at the date of this Prospectus the countries that make up the Eurozone are: Austria, Belgium, Croatia, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Portugal, Slovakia, Slovenia and Spain.

**Europe or European**
means all European countries including the UK, Eastern Europe and former Soviet Union countries.

**EU Climate Transition Benchmark Exclusions**
means the exclusions applying to administrators of EU Climate Transition Benchmarks set out in article 12(1)(a) to (c) of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 as amended, modified or supplemented from time to time.

**EU Paris-Aligned Benchmark Exclusions**
means the exclusions applying to administrators of Paris Aligned Benchmarks set out in article 12(1)(a) to (g) of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020, as amended, modified or supplemented from time to time.

**Fatwa**
means a scholarly opinion or verdict issued by the Shari'ah Panel incorporating a Shari'ah ruling on an actual or potential, including hypothetical when agreed, action or fact with respect to a Shari'ah Fund.

**Foreign Access Regime**
means the regime for foreign institutional investors to invest in the China Interbank Bond Market as described in the section entitled "China Interbank Bond Market" in the "Investment Objectives and Policies" section of this Prospectus.

**Fund**
means a segregated compartment established and maintained by the Company in respect of one or more Share Classes to which assets, liabilities, income and expenditure attributable to each such Class or Share Classes will be applied or charged, as further described in this Prospectus.

**GCC**
means the Gulf Cooperation Council, being a regional organization composed of the Kingdom of Saudi Arabia, Oman, Kuwait, Bahrain, the United Arab Emirates and Qatar.

**Global Industry Classification Standard**
means an industry taxonomy developed by MSCI and Standard & Poor's for use by the global financial community.

**Hedged Share Classes**
means those Share Classes to which a currency hedging strategy is applied. Hedged Share Classes may be made available in Funds and currencies at the Directors' discretion. Confirmation of the Funds and currencies in which the Hedged Share Classes are available can be obtained from the registered office of the Company and from the local Investor Servicing team.

**HKEX**
means Hong Kong Exchanges and Clearing Limited.

**HKSCC**
means Hong Kong Securities Clearing Company Limited which operates a securities market and a derivatives market in Hong Kong and the clearing houses for those markets.

**Institutional Investor**
means an institutional investor within the meaning of the 2010 Law which satisfies the eligibility and suitability requirements of

institutional investors. Please see the section headed "Restrictions on Holding of Shares".

**Internal Credit Quality Assessment Procedure**
Means, in relation to the Reserve Funds, the procedure required by the MMF Regulations and followed by the Investment Adviser when assessing the credit quality of investments.

**International Capital Markets Association Green Bond principles**
are voluntary process guidelines issued by the International Capital Markets Association, which seek to support issuers in financing environmentally sound and sustainable projects that foster a net-zero emissions economy and protect the environment.

**Interest Rate Differential**
means the difference in interest rates between two similar interest-bearing assets.

**Investment Adviser(s)**
means the investment adviser(s) appointed by the Management Company from time to time in respect of the management of the assets of the Funds as described under "Investment Management of the Funds".

**Investor Servicing**
means the dealing provisions and other investor servicing functions by local BlackRock Group companies or branches or their administrators.

**KSA**
means the Kingdom of Saudi Arabia.

**KSA Sub-custodian**
means the delegate of the Depositary in charge of the safekeeping of the assets in the KSA as listed in the Appendix F – List of Depositary Delegates.

**KID**
means the key information document, as applicable, issued in respect of each Share Class pursuant to the 2010 Law.

**Management Company**
means BlackRock (Luxembourg) S.A., a Luxembourg société anonyme authorised as a management company under the 2010 Law.

**MMF**
means a money market fund as defined in the MMF Regulations. A "VNAV MMF" means a variable net asset value money market fund as defined in the MMF Regulations.

**MMF Regulations**
means Regulation (EU) 2017/1131 of the European Parliament and Council of 14 June 2017 on money market funds ("MMF") and any delegated regulation published pursuant to it.

**Net Asset Value**
means in relation to a Fund or a Share Class, the amount determined in accordance with the provisions described in paragraphs 12. to 17. of Appendix B. The Net Asset Value (or "NAV") of a Fund may be adjusted in accordance with paragraph 17.3 of Appendix B.

**Non-Distributing Shares**
means Non-Distributing Shares / Non-Distributing Share Classes are Share Classes that do not pay dividends.

**OTC derivatives**
means over-the-counter derivative instruments.

**Paris Agreement**
means 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.

**Principal Adverse Impacts (PAIs)**
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.

**PBOC**
means the People's Bank of China in the PRC.

**PRC or Mainland China**
means the People's Republic of China.

**Principal Distributor**
means BlackRock Investment Management (UK) Limited acting in its capacity as Principal Distributor. References to distributors may include BlackRock Investment Management (UK) Limited in its capacity as Principal Distributor.

**Prospectus**
means this offering memorandum, as amended, modified or supplemented from time to time.

**QFI**
means qualified foreign investors (including, if applicable, Qualified Foreign Institutional Investors ("QFII") and Renminbi Qualified Foreign Institutional Investors ("RQFII")) approved pursuant to the relevant PRC regulations (as amended from time to time).

**QFI Access Funds**
Asian Dragon Fund, Asian High Yield Bond Fund, Asian Multi-Asset Income Fund, Asian Tiger Bond Fund, China Bond Fund, China Fund, China Onshore Bond Fund, Emerging Markets Local Currency Bond Fund, Multi-Theme Equity Fund, Systematic Asia Pacific Equity High Income Fund, Systematic China A-Share Opportunities Fund and Systematic China Environmental Tech Fund.

**QFI Custodian**
means HSBC Bank (China) Company Limited or such other person appointed as a sub-custodian of the relevant Fund for China A-Shares and/or China onshore bonds acquired through the QFI regime.

**QFI Licence**
means the licence awarded by the CSRC to entities based in certain jurisdictions outside of the PRC, enabling such entities to invest in eligible PRC securities via the QFI regime.

**QFI Licence Holder**
means the holder of a QFI Licence.

**Remuneration Policy**
means the policy as described in the section entitled "Management" 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.

**Reserve Funds**
means the Euro Reserve Fund and the US Dollar Reserve Fund. The Euro Reserve Fund and the US Dollar Reserve Fund are "Short-Term Variable Net Asset Value Money Market Funds" (Short-term MMFs) in accordance with the MMF Regulations. The investment objectives of the Euro Reserve Fund and the US Dollar Reserve Fund are intended to comply with this classification.

**RMB or Renminbi**
means Renminbi, the lawful currency of the PRC.

**Rules for Foreign Investment in Securities**
means the rules issued by the Board of the CMA pursuant to its Resolution Number 2-26-2023 Dated 5/9/1444H corresponding to 27/3/2023G based on the Capital Market Law issued by Royal Decree No. M/30 dated 2/6/1424H.

**SAFE**
means the State Administration of Foreign Exchange of the PRC.

**Saudi Qualified Foreign Investors**
means a foreign investor that is qualified, in accordance with the provisions of the Rules for Foreign Investment in Securities, to invest in shares listed on the Saudi Stock Exchange (Tadawul).

**SEHK**
means the Stock Exchange of Hong Kong.

**Share**
means a share of any Class representing a participation in the capital of the Company, and carrying rights attributable to a relevant Share Class, as further described in this Prospectus.

**Share Class**
means any class of Shares attributable to a particular Fund, and carrying rights to participate in the assets and liabilities of such Fund as further described in section "Classes and Form of Shares".

**Shareholder**
means an owner of Shares.

**SFC**
means the Securities and Futures Commission in Hong Kong.

**SFDR**
means 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, as may be amended, modified or supplemented from time to time.

**Shari'ah**
means the rules, principles and parameters of Islamic law as interpreted by the Shari'ah Panel with respect to a Shari'ah Fund.

**Shari'ah Funds**
means the Sukuk Fund, the Systematic Islamic Saudi Arabia Equity Fund and the Systematic Islamic GCC Equity Fund and the World Islamic Gold Fund.

**Shari'ah Panel**
means a panel of Islamic scholars appointed by the Investment Adviser and provided by a Shari'ah advisory firm, Amanie Advisors, in respect of the Fund and any person appointed to sit on the panel from time to time to provide advice and guidance relating to the Fund's compliance with Shari'ah investment and accounting principles and render Fatwas based on Shari'ah.

**Shari'ah Screening Provider**
means IdealRatings or any other entities appointed to screen the securities held by certain Shari'ah Funds

**SICAV**
means an investment company with variable capital (*société d'investissement à capital variable*).

**Sovereign Sukuk**
means Sukuk securities issued or guaranteed by governments or government-related entities.

**Stock Connect**
means each of the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect, and collectively the "**Stock Connects**".

**Stock Connect Funds**
AI Innovation Fund, Asian Dragon Fund, Asian Multi-Asset Income Fund, Brown To Green Materials Fund, China Fund, China Multi-Asset Fund, Circular Economy Fund, Climate Transition Multi-Asset Fund, Dynamic High Income Fund, Dynamic Infrastructure Opportunities Fund, Emerging Markets Fund, Emerging Markets Equity Income Fund, Emerging Markets Sustainable Equity Fund, FinTech Fund, ESG Multi-Asset Fund, Future Of Transport Fund, Global Allocation Fund, Global Dynamic Equity Fund, Global Equity Income Fund, Global Multi-Asset Income Fund, Global Long-Horizon Equity Fund, Multi-Theme Equity Fund, Natural Resources Fund, Next Generation Technology Fund, Step Into Equity High Income Fund 2030, Sustainable Energy Fund, Sustainable Global Allocation Fund, Systematic Asia Pacific Equity High Income Fund, Systematic China A-Share Opportunities Fund, Systematic Global Equity High Income Fund, Systematic Global SmallCap Fund, Systematic China Environmental Tech Fund, Systematic Global Income & Growth Fund, World Energy Fund, World Financials Fund, World Gold Fund, World Healthscience Fund, World Mining Fund, World Real Estate Securities Fund, and World Technology Fund.

**SSE**
means the Shanghai Stock Exchange.

**Sukuk**
means investment certificates commercially similar to fixed income securities, that provide evidence of an investment/funding into an underlying asset or a project which is typically an income generating project or asset.

**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.

**SZSE**
means the Shenzhen Stock Exchange.

**Taxonomy Regulation**
means 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.

**UCITS**
means an undertaking for collective investment in transferable securities.

**UCITS Directive**
means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS), as amended.

**UK Reporting Funds**
means the Statutory Instrument 2009 / 3001 that the UK Government enacted in November 2009 (The Offshore Funds (Tax) Regulations 2009) which provides for a framework for the taxation of investments in offshore funds which operates by reference to whether a Fund opts into a reporting regime ("UK Reporting Funds") or not ("Non-UK Reporting Funds"). Under the UK Reporting Funds regime, investors in UK Reporting Funds are subject to tax on the share of the UK Reporting Fund's income attributable to their holding in the Fund, whether or not distributed, but any gains on disposal of their holding are subject to capital gains tax. The UK Reporting Funds regime has applied to the Company since 1 September 2010.

A list of the Funds which currently have UK Reporting Fund status is available at https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds.

**UN Sustainable Development Goals (UN SDG)**
The UN SDGs are a series of goals published by the United Nations which recognise that ending poverty and other deprivations must go hand-in-hand with improvements in health, education and economic growth, and a reduction in inequalities, all whilst tackling climate change and working to preserve the planet's oceans and forests. For further details see the UN website: https://sdgs.un.org/goals.

## Investment Management of the Funds

**Management**

The Directors are responsible for the overall investment policy of the Company.

The Management Company has been appointed by the Company to act as its management company. The Management Company is authorised to act as a fund management company in accordance with Chapter 15 of the 2010 Law.

The Company has signed a management company agreement with the Management Company. Under this agreement, the Management Company is entrusted with the day-to-day management of the Company, with responsibility for performing directly or by way of delegation all operational functions relating to the Company's investment management, administration and the marketing of the Funds.

In agreement with the Company, the Management Company has decided to delegate several of its functions as is further described in this Prospectus.

The Management Company is also authorised to act as an Alternative Investment Fund Manager in accordance with Article 5 of the 2013 Law.

The directors of the Management Company are:

**Chairman**
Jonathan Griffin

**Directors**
Svetlana Butvina
Joanne Fitzgerald
Richard Gardner
Michael Renner
Leon Schwab
Benjamin Gregson

Svetlana Butvina, Joanne Fitzgerald, Richard Gardner, Benjamin Gregson, and Leon Schwab are employees of the BlackRock Group (of which the Management Company, Investment Advisers and Principal Distributor are part).

The Management Company is a wholly owned subsidiary within the BlackRock Group. It is regulated by the CSSF.

The remuneration policy of the Management Company sets out the policies and practices that are consistent with and promote sound and effective risk management. 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 Management Company's duty to act in the best interest of shareholders. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Management Company and the UCITS funds that it manages and of the investors in such UCITS funds, and includes measures to avoid conflicts of interest. It includes a description as to how remuneration and benefits are calculated and identifies those individuals responsible for awarding remuneration and benefits. With regard to the internal organisation of the Management Company, the assessment of performance is set in a multi-year framework appropriate to the holding period recommended to the investors of the UCITS funds managed by the Management Company in order to ensure that the assessment process is based on longer-term performance of the Company and its investment risks and that the actual payment of performance-based components of remuneration is spread over the same period. The Remuneration Policy includes fixed and variable components of salaries and discretionary pension benefits that are appropriately balanced and the fixed component represents a sufficiently high proportion of the total remuneration to allow the operation of a fully flexible policy on variable remuneration components, including the possibility to pay no variable remuneration component. 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 Management Company. The details of the up-to-date Remuneration Policy, including but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where such a committee exists, are available on the individual Fund pages at www.blackrock.com (select the relevant Fund in the "Product" section and then select "All Documents") and www.blackrock.com/Remunerationpolicy and a paper copy will be made available free of charge upon request from the registered office of the Management Company.

**Investment Advisers and Sub-Investment Advisers**

The Management Company has delegated its investment management functions to the Investment Advisers. The Investment Advisers provide advice and management in the areas of stock and sector selection and strategic allocation. Notwithstanding the appointment of the Investment Advisers, the Management Company accepts full responsibility to the Company for all investment transactions. References to an Investment Adviser in this Prospectus may refer to one or more of the below Investment Advisers.

BlackRock Investment Management (UK) Limited is a principal operating subsidiary of the BlackRock Group outside the US. It is regulated by the Financial Conduct Authority ("FCA") but the Company will not be a customer of BlackRock Investment Management (UK) Limited for the purposes of the FCA rules and will accordingly not directly benefit from the protection of those rules.

BlackRock Investment Management (UK) Limited also acts as the Investment Adviser to the Subsidiary.

BlackRock Investment Management (UK) Limited has sub-delegated some of its functions to BlackRock Japan Co., Ltd., BlackRock Investment Management (Australia) Limited, BlackRock Asset Management North Asia Limited ("BAMNA"), and BlackRock Saudi Arabia Company.

BlackRock (Singapore) Limited is regulated by the Monetary Authority of Singapore.

BlackRock Financial Management, Inc. and BlackRock Investment Management, LLC are regulated by the Securities and Exchange Commission.

The investment sub-advisers are also licensed and/or regulated (as applicable). BlackRock Japan Co., Ltd is regulated by the

Japanese Financial Services Agency. BlackRock Investment Management (Australia) Limited is licensed by the Australian Securities and Investments Commission as an Australian Financial Services Licence holder. BAMNA is regulated by the SFC. BlackRock Saudi Arabia Company is regulated by the Capital Market Authority.

The Investment Advisers and their sub-investment advisers are indirect operating subsidiaries of BlackRock, Inc., the ultimate holding company of the BlackRock Group. The Investment Advisers and their sub-investment advisers form part of the BlackRock Group.

**All investments risk the loss of capital. An investment in the Shares involves considerations and risk factors which investors should consider before subscribing. In addition, there will be occasions when the BlackRock Group may encounter potential conflicts of interest in connection with the Company. See section "Conflicts of interest from relationships within the BlackRock Group".**

**Investors should review this Prospectus carefully and in its entirety and are invited to consult with their professional advisers before making an application for Shares. An investment in the Shares should form only a part of a complete investment programme and an investor must be able to bear the loss of its entire investment. Investors should carefully consider whether an investment in the Shares is suitable for them in light of their circumstances and financial resources. In addition, investors should consult their own tax advisers regarding the potential tax consequences of the activities and investments of the Company and/or each Fund. Below is a summary of risk factors that apply to all Funds which in particular, in addition to the matters set out elsewhere in this Prospectus, should be carefully evaluated before making an investment in the Shares. Not all risks apply to all Funds. The risks that, in the opinion of the Directors and the Management Company, could have significant impact on the overall risk of the relevant Fund are detailed in the table in the section "Specific Risk Considerations".**

**Only those risks which are believed to be material and are currently known to the Directors have been disclosed. Additional risks and uncertainties not currently known to the Directors, or that the Directors deem to be immaterial, may also have an adverse effect on the business of the Company and/or the Funds.**

**General Risks**

The performance of each Fund will depend on the performance of the underlying investments. No guarantee or representation is made that any Fund or any investment will achieve its respective investment objectives. Past results are not necessarily indicative of future results. The value of the Shares may fall due to any of the risk factors below as well as rise and an investor may not recoup its investment. Income from the Shares may fluctuate in money terms. Changes in exchange rates may, among other factors, cause the value of Shares to increase or decrease. The levels and bases of, and reliefs from, taxation may change. There can be no assurance that the collective performance of a Fund's underlying investments will be profitable. Also, there is no guarantee of the repayment of principal. On establishment, a Fund will normally have no operating history upon which investors may base an evaluation of performance.

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 Management Company seeks to reduce these operational risks through controls and procedures and, through its monitoring and oversight of providers of services for the Funds, and 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 Management Company 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, 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 Management Company and other service providers to 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, 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 Management Company seeks to minimize 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.

**Financial Markets, Counterparties and Service Providers**

The Funds may be exposed to finance sector companies that act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse effect on the return of the Funds.

Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse.

**Tax Considerations**

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 Shares.

The tax information provided in the "Taxation" section is based, to the best knowledge of the Directors, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the Company, the taxation of Shareholders and any tax reliefs, and the consequences of such tax status and tax reliefs, may change from time to time. Any change in the taxation legislation in any jurisdiction where a Fund is registered, marketed or invested could affect the tax status of the Fund, affect the value of the Fund's investments in the affected jurisdiction and affect the Fund's ability to achieve its investment objective and/or alter the post-tax returns to Shareholders. Where a Fund invests in derivatives, the preceding sentence may also extend to the jurisdiction of the

governing law of the derivative contract and/or the derivative counterparty and/or to the market(s) comprising the underlying exposure(s) of the derivative.

The availability and value of any tax reliefs available to Shareholders depend on the individual circumstances of Shareholders. The information in the "Taxation" section is not exhaustive and does not constitute legal or tax advice. Investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Company.

Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example India and jurisdictions in the Middle East, the relevant Fund, the Management Company, the Investment Advisers and the Depositary shall not be liable to account to any Shareholder for any payment made or suffered by the Company 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.

Investors should note that certain Share Classes may pay dividends gross of expenses. This may result in Shareholders receiving a higher dividend that they would have otherwise received and therefore Shareholders may suffer a higher income tax liability as a result. In addition, in some circumstances, paying dividends gross of expenses may mean that the Fund pays dividends from capital property as opposed to income property. This is also the case where dividends may include Interest Rate Differentials arising from Share Class currency hedging. Such dividends may still be considered income distributions in the hands of Shareholders, depending on the local tax legislation in place, and therefore Shareholders may be subject to tax on the dividend at their marginal income tax rate. Shareholders should seek their own professional tax advice in this regard.

The tax laws and regulations in the PRC may be expected to change and develop as the PRC's economy changes and develops. Consequently, there may be less authoritative guidance to assist in planning and less uniform application of the tax laws and regulations in comparison to more developed markets. In addition, any new tax laws and regulations and any new interpretations may be applied retroactively. The application and enforcement of PRC tax rules could have a significant adverse effect on the Company and its Shareholders, particularly in relation to capital gains withholding tax imposed upon non-residents. The Company does not currently intend to make any accounting provisions for these tax uncertainties.

**Investors should also read the information set out in the section headed "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.**

**Share Class Contagion**
It is the Directors' intention that all gains/losses or expenses arising in respect of a particular Share Class are borne separately by that Share Class. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

**Currency Risk – Base Currency**
The Funds may invest in assets denominated in a currency other than the Base Currency of the Funds. Changes in exchange rates between the Base Currency and the currency in which the assets are denominated and changes in exchange rate controls will cause the value of the asset expressed in the Base Currency to fall or rise. The Funds may utilise techniques and instruments including derivatives for hedging purposes to control currency risk. However, it may not be possible or practical to completely mitigate currency risk in respect of a Fund's portfolio or specific assets within the portfolio. Furthermore, unless otherwise stated in the investment policies of the relevant fund, the Investment Adviser is not obliged to seek to reduce currency risk within the Funds.

**Currency Risk – Share Class Currency**
Certain Share Classes of certain Funds may be denominated in a currency other than the Base Currency of the relevant Fund. In addition, the Funds may invest in assets denominated in currencies other than the Base Currency. Therefore changes in exchange rates and changes in foreign exchange rate controls may affect the value of an investment in the Funds.

**Currency Risk – Investor's Own Currency**
An investor may choose to invest in a Share Class which is denominated in a currency that is different from the currency in which the majority of the investor's assets and liabilities are denominated (the "Investor's Currency"). In this scenario, the investor is subject to currency risk in the form of potential capital losses resulting from movements of the exchange rate between the Investor's Currency and the currency of the Share Class in which such investor invests, in addition to the other currency risks described herein and the other risks associated with an investment in the relevant Fund.

**Hedged Share Classes**
While a Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of that Fund and the Hedged Share Class.

The hedging strategies may be entered into whether the Base Currency is declining or increasing in value relative to the relevant currency of the Hedged Share Class and so, where such hedging is undertaken it may substantially protect Shareholders in the relevant Class against a decrease in the value of the Base Currency relative to the Hedged Share Class currency, but it may also preclude Shareholders from benefiting from an increase in the value of the Base 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 further affect the volatility of the Hedged Share Class.

The Funds may also use hedging strategies which seek to provide exposure to certain currencies (i.e. where a currency is subject to currency trading restrictions). These hedging strategies involve converting the Net Asset Value of the relevant Share Class into the relevant currency using financial derivative instruments (including currency forwards).

All gains/losses or expenses arising from hedging transactions are borne separately by the Shareholders of the respective Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

**Global Financial Market Crisis and Governmental Intervention**
Since 2007, global financial markets have undergone pervasive and fundamental disruption and suffered significant instability which has led to governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of emergency regulatory measures. Government and regulatory interventions 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 what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Adviser's ability to implement a Fund's investment objective.

Whether current undertakings by governing bodies of various jurisdictions or any future undertakings will help stabilise the financial markets is unknown. The Investment Advisers cannot predict how long the financial markets will continue to be affected by these events and cannot predict the effects of these – or similar events in the future – on a Fund, the European or global economy and the global securities markets. The Investment Advisers are monitoring the situation. 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.

**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. The 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 the 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 the 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 the Funds. 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 health care 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.

**Recent Market Events**
Periods of market volatility may occur in response to various local and/or global political, social and economic events. 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).

**Derivatives**
(a) General

In accordance with the investment limits and restrictions set out in Appendix A and in the section headed "Investment Objectives and

Policies", each of the Funds may use derivatives for investment purposes and for the purposes of efficient portfolio management and to hedge market, interest rate and currency risk.

The use of derivatives may expose Funds to a higher degree of risk. These risks may include credit risk with regard to counterparties with whom the Funds trade, the risk of settlement default, volatility risk, over-the-counter transaction risk, lack of liquidity of the derivatives, imperfect tracking between the change in value of the derivative, and the change in value of the underlying asset that the relevant Fund is seeking to track and greater transaction costs than investing in the underlying assets directly. Some derivatives are leveraged and therefore may magnify or otherwise increase investment losses to the Funds.

In accordance with standard industry practice when purchasing derivatives, a Fund may be required to secure its obligations to its counterparty. For non-fully funded derivatives, this may involve the placing of initial and/or variation margin assets with the counterparty. For derivatives 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 a derivative may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the derivative only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under a derivative up to such minimum transfer amount.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase Fund volatility. Whilst the Funds will not borrow money to leverage they may for example take synthetic short positions through derivatives to adjust their exposure, always within the restrictions provided for in Appendix A of this Prospectus. Certain Funds may enter into long positions executed using derivatives (synthetic long positions) such as futures positions including currency forwards.

Additional risks associated with investing in derivatives 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 derivative contract is not fully collateralised but each Fund will continue to observe the limits set out in Appendix A. The use of derivatives may also expose a Fund to legal risk, which is the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable. Where derivative instruments are used in this manner the overall risk profile of the Fund may be increased. Accordingly the Company will employ a risk-management process which enables the Management Company to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the Fund. The Management Company uses one of two methodologies to calculate each Fund's global exposure, the "Commitment Approach" or the "Value at Risk" or "VaR" approach, in both cases ensuring each Fund complies with the investment restrictions set out in Appendix A. The methodology used for each Fund will be determined by the Management Company based on the investment strategy of the relevant Fund. Details about the methodologies used for each Fund are set out in the section entitled "Investment Objectives and Policies".

For more detail regarding the derivative strategies applied by individual Funds please refer to the individual Fund investment objectives in the section headed "Investment Objectives and Policies" below and the latest risk management programme which is available on request from the local Investor Servicing team.

(b) Specific

The Funds may use derivatives for investment purposes or for the purpose of efficient portfolio management in accordance with their respective investment objective and policies. In particular this may involve (on a non-exhaustive basis):

- using swap contracts to adjust interest rate risk;
- using currency derivatives to buy or sell currency risk;
- writing covered call options;
- using credit default swaps to buy or sell credit risk;
- using volatility derivatives to adjust volatility risk;
- buying and selling options;
- using swap contracts to gain exposure to one or more indices;
- using synthetic short positions to take advantage of any negative investment views; and
- using synthetic long positions to gain market exposure.

Investors should note the associated risks with the following types of derivative instruments and strategies as described below:

Credit Default Swaps, Interest Rate Swaps, Currency Swaps, Total Return Swaps, and Swaptions

The use of credit default swaps may carry a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) or buy protection on a bond they do not physically own where the investment view is that the stream of coupon payments required will be less than the payments received due to the decline in credit quality. Conversely, where the investment view is that the payments due to decline in credit quality will be less than the coupon payments, protection will be sold by means of entering into a credit default swap. Accordingly, one party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the agreement). If the credit event does not occur the buyer pays all the required premiums and

the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

The market for credit default swaps may sometimes be more illiquid than bond markets. A Fund entering into credit default swaps must at all times be able to meet the redemption requests. Credit default swaps are valued on a regular basis according to verifiable and transparent valuation methods reviewed by the Company's auditor.

Interest rate swaps involve an exchange with another party of respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. Total return swaps involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. The Funds may enter into swaps as either the payer or receiver of payments under such swaps.

Where a Fund enters into interest rate or total return swaps on a net basis, the two payment streams are netted out, with each party receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that a Fund is contractually obliged to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances each Fund's risk of loss consists of the net amount of interest or total return payments that each party is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

Certain Funds may also buy or sell interest rate swaption contracts. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a pre-set interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

**The use of credit default swaps, interest rate swaps, currency swaps, total return swaps, and interest rate swaptions is a specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Adviser is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Fund would be less favourable than it would have been if these investment techniques were not used.**

Volatility Derivatives

"Historic Volatility" of a security is a statistical measure of the speed and magnitude of changes in the price of that security over defined periods of time. "Implied Volatility" is the market's expectation of future realised volatility. Volatility derivatives are derivatives whose price depends on Historic Volatility or Implied Volatility or both. Volatility derivatives are based on an underlying security, and Funds may use volatility derivatives to increase or reduce volatility risk, in order to express an investment view on the change in volatility, based on an assessment of expected developments in underlying securities markets. For example, if a significant change in the market background is expected, it is likely that the volatility of the price of a security will increase as prices adapt to the new circumstances.

The Funds may only buy or sell volatility derivatives which are based on an index where:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers; and
- it is published in an appropriate manner.

The price of volatility derivatives may be highly volatile, and may move in a different way to the other assets of the Fund, which could have a significant effect on the Net Asset Value of a Fund's Shares.

Currency Overlay Strategies

In addition to the use of techniques and instruments to control currency risk (see 'Currency Risk'), certain Funds may invest in currencies or utilise techniques and instruments in relation to currencies other than the Base Currency with the aim of generating positive returns. The Investment Adviser utilises specialist currency overlay strategies which involves the creation of long positions and synthetic pair trades in currencies to implement tactical views through the use of currency derivatives, including forward foreign exchange contracts, currency futures, options, swaps and other instruments providing exposure to changes in exchange rates. The movement in currency exchange rates can be volatile and where funds engage substantially in such strategies, there will be a significant impact on the overall performance of the funds. These Funds have the flexibility to invest in any currency in the world including emerging market currencies which may be less liquid and currencies that may be affected by the actions of governments and central banks including intervention, capital controls, currency peg mechanisms or other measures.

Option Strategies

An option is the right (but not the obligation) to buy or sell a particular asset or index at a stated price at some date in the future. In exchange for the rights conferred by the option, the option buyer has to pay the option seller a premium for carrying on the risk that comes with the obligation. The option premium depends on the strike price, volatility of the underlying asset, as well as the time remaining to expiration. Options may be listed or dealt in OTC.

A Fund may enter into option transactions as either the buyer or seller of this right and may combine them to form a particular trading strategy as well as use options for reducing an existing risk.

If the Investment Adviser or its delegate is incorrect in its expectation of changes in the market prices or determination of the correlation between the particular assets or indices on which the options are written or purchased and the assets in a Fund's investment portfolio, that Fund may incur losses that it would not otherwise incur.

Transfer of Collateral

In order to use derivatives, the Funds will enter into arrangements with counterparties which may require the payment of collateral or margin out of a Fund's assets to act as cover to any exposure by the counterparty to the Fund. If the title of any such collateral or margin is transferred to the counterparty, it becomes an asset of such counterparty and may be used by the counterparty as part of its business. Collateral so transferred will not be held in custody by the Depositary for safekeeping, but collateral positions will be overseen and reconciled by the Depositary. Where the collateral is pledged by the Fund to the benefit of the relevant counterparty, then such counterparty may not rehypothecate the assets pledged to it as collateral without the Fund's consent.

**Securities Lending**
The Funds may enter into securities lending transactions for the purposes of efficient portfolio management subject to the conditions and limits in accordance with the requirements of the CSSF. The Funds engaging in securities lending will have a credit risk exposure to the counterparties to any securities lending contract. Fund investments can be lent to counterparties over a period of time. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Fund. The Company intends to ensure that all securities lending is fully collateralised but, to the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), the Funds will have a credit risk exposure to the counterparties to the securities lending contracts.

**Risks Relating to Repurchase Agreements**
In the event of the failure of the counterparty with which collateral has been placed, the Funds may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.

**Risks Relating to Reverse Repurchase Agreements**
In the event of the failure of the counterparty with which cash has been placed, the Funds may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.

**Counterparty Risk**
A Fund 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 relevant Fund. This would include the counterparties to any derivatives, repurchase / reverse repurchase agreement or securities lending agreement that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure. The relevant Fund mitigates much of its credit risk to its derivative counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any derivative is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Fund maintains an active oversight of counterparty exposure and the collateral management process.

**Counterparty Risk to the Depositary**
The assets of the Company are entrusted to the Depositary for safekeeping, as set out in further detail in paragraph 11. of Appendix C. In accordance with the UCITS Directive, in safekeeping the assets of the Company, the Depositary shall: (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verify the ownership of such assets and maintain a record accordingly. The assets of the Company should be identified in the Depositary's books as belonging to the Company.

Securities held by the Depositary should be segregated from other securities / assets of the Depositary in accordance with applicable law and regulation which mitigates but does not exclude the risk of non-restitution in the case of bankruptcy of the Depositary. Shareholders are therefore exposed to the risk of the Depositary not being able to fully meet its obligation to restitute all of the assets of the Company in the case of bankruptcy of the Depositary. In addition, a Fund's cash held with the Depositary may not be segregated from the Depositary's own cash / cash under custody for other clients of the Depositary, and a Fund may therefore rank as an unsecured creditor in relation thereto in the case of bankruptcy of the Depositary.

The Depositary may not keep all the assets of the Company itself but may use a network of sub-custodians which are not always part of the same group of companies as the Depositary. Shareholders may be exposed to the risk of bankruptcy of the sub-custodians in circumstances where the Depositary may have no liability.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances where the Depositary may have no liability.

**Fund Liability Risk**
The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Luxembourg 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.

**Market Leverage**
The Funds will not use borrowing to purchase additional investments but may be expected, via derivative positions, to obtain market leverage (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value). The Investment Adviser will seek to make absolute returns from relative value decisions between markets ("this market will do better than that market"), as well as from directional views on the absolute return of markets ("this market is going to go up or down"). The extent of market leverage is likely to depend on the degree of correlation between positions. The higher the degree of correlation, the greater is the likelihood and probable extent of market leverage.

**Repurchase and Reverse Repurchase Agreements**
Under a repurchase agreement a Fund sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed price and date. The difference between the sale price and the repurchase price establishes the cost of the transaction. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the agreement. In a reverse repurchase agreement a Fund purchases an investment from a counterparty which undertakes to repurchase the security at an agreed resale price on an agreed future date. The Fund therefore bears the risk that if the seller defaults the Fund might suffer a loss to the extent that proceeds from the sale of the underlying securities together with any other collateral held by the Fund in connection with the relevant agreement may be less than the repurchase price because of market movements. A Fund cannot sell the securities which are the subject of a reverse repurchase agreement until the term of the agreement has expired or the counterparty has exercised its right to repurchase the securities.

**MiFID II**
Laws and regulations introduced by Member States of the EU to implement the EU's second Markets in Financial Instruments Directive ("MiFID II") and the EU's Markets in Financial Instruments Regulation ("MiFIR"), which came into force on 3 January 2018 and imposed new regulatory obligations and costs on the Management Company and the Investment Advisers.

The impact of MiFID II on the EU financial markets and on EU investment firms which offer financial services to clients is significant.

In particular, MiFID II and MiFIR introduced new rules regarding the execution of certain standardised OTC derivatives on regulated trading venues.

In addition, MiFID II introduced wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. Under MiFID II, pre- and post-trade transparency regimes are extended from equities traded on a regulated market to also cover equity-like instruments (such as Depositary Receipts, Exchange-Traded Funds and certificates that are traded on regulated trading venues) and non-equities such as bonds, structured finance products, emission allowances and derivatives. The increased transparency regime under MiFID II, together with the restrictions on the use of "dark pools" and other trading venues, may mean greater disclosure of information relating to price discovery becoming available and may have an adverse impact on trading costs.

**Cybersecurity Risk**
A Fund or any of the service providers, including the Management Company and the Investment Advisers, 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 units, 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, unitholder ownership of units, 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 Management Company and the Investment Advisers 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 Funds, the Management Company or the Investment Advisers 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 Management Company and the Investment Advisers seek to minimise such events through controls and oversight, there may still be failures that could cause losses to the Funds.

The Investment Advisers rely 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 Advisers or a Fund from cyber-attack.

**Tax Risk**
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. Shareholders 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 Shareholders during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, Shareholders in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund's Net Asset Value. Shareholders who sold their Shares prior to such time will not benefit from such net asset value increase.

**Sustainability Risk**
BlackRock defines sustainability risk as an investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that arises from environmental, social and/or governance issues. In this assessment, BlackRock focuses on the investment risks that are financially material to the fund. The definition of sustainability risks 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 risks may vary by issuer, sector, product, mandate, and time horizon. See the BlackRock SFDR Sustainability Risk Statement for further information at https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/sfdr-sustainability-risk-statement.pdf.

The outcome of the sustainability risk assessment outlined below is an assessment at the Fund level with no reference to the benchmark or active objective of the Fund. This is designed to give clients 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 our 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 a client chooses a product with limited investment discretion - such as an index replicating portfolio - the ability to manage or control the sustainability risk present in the Fund will be constrained.

Whilst the impact of sustainability risks 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 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 risks and are therefore both 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 risks. 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 higher allocation to such sectors, for example, the energy sector, are expected to have higher exposure to sustainability-related risks and also expect a higher impact on financial performance should a sustainability risk event occur. Funds that have lower exposure to these sections are expected to have a lower exposure to sustainability-related risks 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 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. As at the date of this prospectus, the following Funds have been classified as falling into the "material" category from a sustainability risk perspective:

Circular Economy Fund, Dynamic Infrastructure Opportunities Fund, Future of Transport Fund, Sustainable Energy Fund, World Real Estate Securities Fund.

**ESG Labels**
Certain Funds may have been awarded an ESG label for their engagement with socially responsible investment. ESG labels are contractual frameworks and compliance with their governance and investment requirements may not always align with the regulatory obligations applicable to the Fund.

Auditors verify periodically that funds comply with the label criteria. Auditors may decide not to renew a label awarded previously. Label criteria may evolve over time, sometimes significantly, and a

Fund may not be in a position to maintain the label without changing its investment policy. As a result, a Fund may withdraw from the label. Investors are invited to refer to the website of the ESG label for the most up to date list of Funds holding the label.

**Other Risks**

The Funds may be exposed to risks that are outside of their control – for example legal risks from investments in countries with unclear and changing laws or the lack of established or effective avenues for legal redress; the risk of terrorist actions; the risk that economic and diplomatic sanctions may be in place or imposed on certain states and military action may be commenced. The impact of such events is unclear, but could have a material effect on general economic conditions and market liquidity.

Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the Company could be substantial and adverse.

## Specific Risk Considerations

**In addition to the general risks, as set out above, that should be considered for all Funds, there are other risks that investors should also bear in mind when considering investment into specific Funds. The tables below show which specific risk warnings apply to each of the Funds.**

## Specific Risk Considerations

| No. | FUND | Risk of Capital Erosion | Fixed Income | Distressed Securities | Delayed Delivery Transactions | Small Cap | Equity risk | ABS/ MBS / ABCPs | Portfolio Concentration Risk | Contingent Convertible Bonds | ESG Investment Policy Risk | Model Risk |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. | AI Innovation Fund | | | | | X | X | | X | | X | |
| 2. | Asian Dragon Fund | | | | | X | X | | X | | | |
| 3. | Asian High Yield Bond Fund | | X | X | | | | X | | X | | |
| 4. | Asian Multi-Asset Income Fund | X | X | X | | X | X | X | | X | | |
| 5. | Asia Pacific Bond Fund | | X | X | | | | X | | X | X | |
| 6. | Asian Tiger Bond Fund | | X | X | | | | X | | X | | |
| 7. | Brown to Green Materials Fund | | | | | X | X | | X | | X | |
| 8. | China Bond Fund | | X | X | | | | X | X | X | | |
| 9. | China Fund | | | | | X | X | | | | X | |
| 10. | China Multi-Asset Fund | | X | X | X | | X | X | | X | X | |
| 11. | China Onshore Bond Fund | | X | X | | | | X | X | X | X | |
| 12. | Circular Economy Fund | | | | | X | X | | | | X | |
| 13. | Climate Transition Multi-Asset Fund | | X | X | | | X | X | | X | X | |
| 14. | Continental European Flexible Fund | | | | | X | X | | X | X | X | |
| 15. | Diversified Tactical Fund | | X | | | | X | X | | | X | X |
| 16. | Dynamic High Income Fund | X | X | X | | | X | X | | X | | |
| 17. | Dynamic Infrastructure Opportunities Fund | | | | | X | X | | X | | X | |
| 18. | Emerging Europe Fund | | | | | X | X | | | | | |
| 19. | Emerging Markets Bond Fund | | X | X | | | | | | X | | |
| 20. | Emerging Markets Corporate Bond Advanced Fund | | X | X | | | | | | X | X | |
| 21. | Emerging Markets Corporate Bond Fund | | X | X | | | | | | X | | |
| 22. | Emerging Markets Equity Income Fund | X | | | | X | X | | | | | |
| 23. | Emerging Markets Ex-China Fund | | | | | X | X | | | | | |
| 24. | Emerging Markets Fund | | | | | X | X | | | | | |
| 25. | Emerging Markets Impact Bond Fund | | X | | | | | | X | | X | |
| 26. | Emerging Markets Local Currency Bond Fund | | X | X | | | | | | X | | |
| 27. | Emerging Markets Sustainable Equity Fund | | | | | X | X | | X | | X | |
| 28. | ESG Emerging Markets Blended Bond Fund | | X | X | | | | | | X | X | |
| 29. | ESG Emerging Markets Bond Fund | | X | X | | | | | | X | X | |
| 30. | ESG Emerging Markets Local Currency Bond Fund | | X | X | | | | | | X | X | |
| 31. | ESG Multi-Asset Fund | | X | | | | X | X | | | X | |
| 32. | Euro Bond Fund | | X | X | | | | X | | X | X | |
| 33. | Euro Corporate Bond Fund | | X | X | | | | X | | X | X | |
| 34. | Euro High Yield Fixed Maturity Bond Fund 2027 | | X | X | | | | | | | X | |
| 35. | Euro High Yield Fixed Maturity Bond Fund 2028 | | X | X | | | | | | | X | |
| 36. | Euro High Income Fixed Maturity Bond Fund 2030 | | X | X | | | | | | | X | |

## Specific Risk Considerations

| No. | FUND | Risk of Capital Erosion | Fixed Income | Distressed Securities | Delayed Delivery Transactions | Small Cap | Equity risk | ABS/ MBS / ABCPs | Portfolio Concentration Risk | Contingent Convertible Bonds | ESG Investment Policy Risk | Model Risk |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 37. | Euro High Income Fixed Maturity Bond Fund 2031 | | X | X | | | | | | | X | |
| 38. | Euro Income Fixed Maturity Bond Fund 2029 | | X | X | | | | | | | X | |
| 39. | Euro Income Fixed Maturity Bond Fund 2030 | | X | X | | | | | | | X | |
| 40. | Euro Income Fixed Maturity Bond Fund 2031 II | | X | X | | | | | | | X | |
| 41. | Euro Income Fixed Maturity Bond Fund 2031 | | X | X | | | | | | | X | |
| 42. | Euro Investment Grade Fixed Maturity Bond Fund 2027 (1) | | X | X | | | | | | | X | |
| 43. | Euro Investment Grade Fixed Maturity Bond Fund 2028 | | X | X | | | | | | | X | |
| 44. | Euro Reserve Fund | | X | | | | | X | | | | |
| 45. | Euro Short Duration Bond Fund | | X | X | | | | X | | X | X | |
| 46. | Euro-Markets Fund | | | | | X | X | | X | X | X | |
| 47. | European Equity Income Fund | X | | | | X | X | | | X | X | |
| 48. | European Equity Transition Fund | | | | | X | X | | X | X | X | |
| 49. | Euro Flexible Income Bond Fund | | X | X | X | | | X | | X | X | |
| 50. | European Fund | | | | | X | X | | X | X | X | |
| 51. | European High Yield Bond Fund | | X | X | X | | | X | | X | X | |
| 52. | European Multi-Asset Income Fund | X | X | X | | | X | X | | X | X | |
| 53. | European Blend Equity Fund | | | | | X | X | | X | X | X | |
| 54. | European Sustainable Equity Fund | | | | | X | X | | X | | X | |
| 55. | European Value Fund | | | | | X | X | | | X | X | |
| 56. | FinTech Fund | | | | | X | X | | X | | X | |
| 57. | Fixed Income Global Opportunities Fund | | X | X | X | | | X | | X | | |
| 58. | Future Of Transport Fund | | | | | X | X | | X | X | X | |
| 59. | Global Allocation Fund | | X | X | | X | X | X | | X | | |
| 60. | Global Bond Income Fund | | X | X | | | | X | | X | | |
| 61. | Global Corporate Bond Fund | | X | X | | | | X | | X | | |
| 62. | Global Dynamic Equity Fund | | | X | | X | X | | | X | X | |
| 63. | Global Equity Income Fund | X | | | | X | X | | | | X | |
| 64. | Global Government Bond Fund | | X | X | X | | | X | | X | X | |
| 65. | Global High Yield Bond Fund | | X | X | X | | | X | | X | X | |
| 66. | Global Inflation Linked Bond Fund | | X | | X | | | X | | | | |
| 67. | Global Listed Infrastructure Fund | | | | | X | X | | X | | X | |
| 68. | Global Long-Horizon Equity Fund | | | | | X | X | | X | | X | |
| 69. | Global Multi-Asset Income Fund | X | X | X | | | X | X | | X | | |
| 70. | Global Securitised Fund | | X | X | | | | X | | | X | |
| 71. | Global Smaller Companies Fund | | | | | X | X | | X | | | X |
| 72. | Global Unconstrained Equity Fund | | | | | X | X | | X | | X | |
| 73. | Impact Bond Fund | | X | X | X | | | X | | X | X | |
| 74. | India Fund | | | | | X | X | | | | | |

## Specific Risk Considerations

| No. | FUND | Risk of Capital Erosion | Fixed Income | Distressed Securities | Delayed Delivery Transactions | Small Cap | Equity risk | ABS/ MBS / ABCPs | Portfolio Concentration Risk | Contingent Convertible Bonds | ESG Investment Policy Risk | Model Risk |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 75. | Japan Flexible Equity Fund | | | | | X | X | | | | X | |
| 76. | Japan Small & MidCap Opportunities Fund | | | | | X | X | | | | X | |
| 77. | Latin American Fund | | | | | X | X | | | | | |
| 78. | MENA Bond Fund | | X | X | | | | X | X | X | | |
| 79. | Multi-Theme Equity Fund | | | | | | X | | | | X | |
| 80. | MyMap Cautious Fund | | X | | | | X | | | | | |
| 81. | MyMap Growth Fund | | X | | | | X | | | | | |
| 82. | MyMap Moderate Fund | | X | | | | X | | | | | |
| 83. | Natural Resources Fund | X | | | | X | X | | | X | | |
| 84. | Next Generation Technology Fund | | | | | X | X | | | | X | |
| 85. | Step Into Equity High Income Fund 2030 | X | X | X | | | X | | | | | |
| 86. | Sukuk Fund | | X | X | | | | | X | X | | |
| 87. | Sustainable Energy Fund | | | | | X | X | | | X | X | |
| 88. | Sustainable Global Allocation Fund | | X | X | | X | X | X | | X | X | |
| 89. | Swiss Small & MidCap Opportunities Fund | | | | | X | X | | X | X | X | |
| 90. | Systematic Asia Pacific Equity High Income Fund | X | | | | | X | | | | | X |
| 91. | Systematic China A-Share Opportunities Fund | | | | | X | X | | | | X | X |
| 92. | Systematic China Environmental Tech Fund | | | | | X | X | | X | | X | |
| 93. | Systematic Islamic GCC Equity Fund | X | | | | X | X | | X | | | X |
| 94. | Systematic Islamic Saudi Arabia Equity Fund | X | | | | X | X | | X | | | X |
| 95. | Systematic Global Equity High Income Fund | X | | | | X | X | | | | | X |
| 96. | Systematic Global Income & Growth Fund | X | X | | | X | X | | | | X | X |
| 97. | Systematic Global SmallCap Fund | | | | | X | X | | | | X | X |
| 98. | Systematic Multi Allocation Credit Fund | | X | X | | | | | | X | X | |
| 99. | Systematic Nasdaq Equity High Income Fund | X | | | | | X | | X | | | X |
| 100. | United Kingdom Fund | | | | | X | X | | | X | X | |
| 101. | US Basic Value Fund | | | | | | X | | | | | |
| 102. | US Dollar Bond Fund | | X | X | X | | | X | | X | | |
| 103. | US Dollar High Yield Bond Fund | | X | X | X | | | X | | X | X | |
| 104. | US Dollar Reserve Fund | | X | | | | | X | | | | |
| 105. | US Dollar Short Duration Bond Fund | | X | | X | | | X | | X | | |
| 106. | US Flexible Equity Fund | | | | | | X | | | | X | |
| 107. | US Growth Fund | | | | | | X | | | | X | |
| 108. | US Mid-Cap Value Fund | | | | | | X | | | | | |
| 109. | World Bond Fund | | X | X | X | | | X | | X | X | |
| 110. | World Energy Fund | | | | | X | X | | | X | | |
| 111. | World Financials Fund | | | | | X | X | | | | X | |

Specific Risk Considerations

| No. FUND | Risk of Capital Erosion | Fixed Income | Distressed Securities | Delayed Delivery Transactions | Small Cap | Equity risk | ABS/ MBS / ABCPs | Portfolio Concentration Risk | Contingent Convertible Bonds | ESG Investment Policy Risk | Model Risk |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 112. World Gold Fund | | | | | X | X | | | X | | |
| 113. World Healthscience Fund | | | | | X | X | | | | X | |
| 114. World Islamic Gold Fund | | | | | X | X | | X | | | |
| 115. World Mining Fund | | | | | X | X | | | X | | |
| 116. World Real Estate Securities Fund | | | | | X | X | | | | X | |
| 117. World Technology Fund | | | | | X | X | | | | X | |

## Specific Risk Considerations

| No. | FUND | Specific Risks – Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Emerging Markets/ Frontier Markets | Sovereign Debt | Bond Downgrade Risk | Restrictions on foreign Investments | Specific Sectors | Commodities accessed via ETFs | Bank Corporate Bonds | Turnover | Liquidity Risk | Fixed Maturity Funds | Non-Compliance with Shari'ah |
| 1. | AI Innovation Fund | X | | | X | X | | | | X | | |
| 2. | Asian Dragon Fund | X | | | X | | | | | X | | |
| 3. | Asian High Yield Bond Fund | X | X | X | X | | | X | | X | | |
| 4. | Asian Multi-Asset Income Fund | X | X | X | X | | | X | | X | | |
| 5. | Asia Pacific Bond Fund | X | X | X | X | | | X | | X | | |
| 6. | Asian Tiger Bond Fund | X | X | X | X | | | X | | X | | |
| 7. | Brown to Green Materials Fund | X | | | | X | | | | X | | |
| 8. | China Bond Fund | X | X | X | X | | | X | | X | | |
| 9. | China Fund | X | | | X | | | | | X | | |
| 10. | China Multi-Asset Fund | X | X | X | X | X | | X | | X | | |
| 11. | China Onshore Bond Fund | X | X | X | X | | | X | | X | | |
| 12. | Circular Economy Fund | X | | | | X | | | | X | | |
| 13. | Climate Transition Multi-Asset Fund | X | X | X | | | | X | | X | | |
| 14. | Continental European Flexible Fund | | | | X | | | | | X | | |
| 15. | Diversified Tactical Fund | | X | | | | | | | X | | |
| 16. | Dynamic High Income Fund | X | X | X | X | | | X | | X | | |
| 17. | Dynamic Infrastructure Opportunities Fund | X | | | X | X | | | | | | |
| 18. | Emerging Europe Fund | X | | | X | | | | | X | | |
| 19. | Emerging Markets Bond Fund | X | X | X | X | | | X | | X | | |
| 20. | Emerging Markets Corporate Bond Advanced Fund | X | X | X | X | | | X | | X | | |
| 21. | Emerging Markets Corporate Bond Fund | X | | X | X | | | X | | X | | |
| 22. | Emerging Markets Equity Income Fund | X | | | X | | | | | X | | |
| 23. | Emerging Markets Ex-China Fund | X | | | X | | | | | X | | |
| 24. | Emerging Markets Fund | X | | | X | | | | | X | | |
| 25. | Emerging Markets Impact Bond Fund | X | X | | X | X | | X | | X | | |
| 26. | Emerging Markets Local Currency Bond Fund | X | X | X | X | | | X | | X | | |
| 27. | Emerging Markets Sustainable Equity Fund | X | | | X | | | | | X | | |
| 28. | ESG Emerging Markets Blended Bond Fund | X | X | X | X | | | X | | X | | |
| 29. | ESG Emerging Markets Bond Fund | X | X | X | X | | | X | | X | | |

## Specific Risk Considerations

| No. | FUND | Specific Risks – Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Emerging Markets/ Frontier Markets | Sovereign Debt | Bond Downgrade Risk | Restrictions on foreign Investments | Specific Sectors | Commodities accessed via ETFs | Bank Corporate Bonds | Turnover | Liquidity Risk | Fixed Maturity Funds | Non-Compliance with Shari'ah |
| 30. | ESG Emerging Markets Local Currency Bond Fund | X | X | X | X | | | X | | X | | |
| 31. | ESG Multi-Asset Fund | X | X | X | | | X | X | | X | | |
| 32. | Euro Bond Fund | | X | X | | | | X | | | | |
| 33. | Euro Corporate Bond Fund | | | X | X | | | X | | | | |
| 34. | Euro High Yield Fixed Maturity Bond Fund 2027 | X | X | X | | | | X | | X | X | |
| 35. | Euro High Yield Fixed Maturity Bond Fund 2028 | X | X | X | | | | X | | X | X | |
| 36. | Euro High Income Fixed Maturity Bond Fund 2030 | X | X | X | | | | X | | X | X | |
| 37. | Euro High Income Fixed Maturity Bond Fund 2031 | X | X | X | | | | X | | X | X | |
| 38. | Euro Income Fixed Maturity Bond Fund 2029 | X | X | X | | | | X | | X | X | |
| 39. | Euro Income Fixed Maturity Bond Fund 2030 | X | X | X | | | | X | | X | X | |
| 40. | Euro Income Fixed Maturity Bond Fund 2031 II | X | X | X | | | | X | | X | X | |
| 41. | Euro Income Fixed Maturity Bond Fund 2031 | X | X | X | | | | X | | X | X | |
| 42. | Euro Investment Grade Fixed Maturity Bond Fund 2027 (1) | X | X | X | | | | X | | X | X | |
| 43. | Euro Investment Grade Fixed Maturity Bond Fund 2028 | X | X | X | | | | X | | X | X | |
| 44. | Euro Reserve Fund | | X | X | | | | | | | | |
| 45. | Euro Short Duration Bond Fund | | X | X | | | | X | | | | |
| 46. | Euro-Markets Fund | | | | | | | | | | | |
| 47. | European Equity Income Fund | | | | X | | | | | | | |
| 48. | European Equity Transition Fund | | | | X | | | | | X | | |
| 49. | Euro Flexible Income Bond Fund | X | X | X | X | | X | X | | X | | |
| 50. | European Fund | | | | X | | | | | X | | |
| 51. | European High Yield Bond Fund | | X | X | | | | X | | X | | |
| 52. | European Multi-Asset Income Fund | X | X | X | | | | X | | X | | |
| 53. | European Blend Equity Fund | | | | X | | | | | X | | |

## Specific Risk Considerations

| No. | FUND | Specific Risks – Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Emerging Markets/ Frontier Markets | Sovereign Debt | Bond Downgrade Risk | Restrictions on foreign Investments | Specific Sectors | Commodities accessed via ETFs | Bank Corporate Bonds | Turnover | Liquidity Risk | Fixed Maturity Funds | Non-Compliance with Shari'ah |
| 54. | European Sustainable Equity Fund | X | | | | | | | | | | |
| 55. | European Value Fund | | | | X | | | | | | | |
| 56. | FinTech Fund | X | | | | X | | | | X | | |
| 57. | Fixed Income Global Opportunities Fund | X | X | X | X | | X | X | | X | | |
| 58. | Future Of Transport Fund | X | | | X | X | | | | X | | |
| 59. | Global Allocation Fund | X | X | X | X | | X | X | | X | | |
| 60. | Global Bond Income Fund | X | X | X | X | | | X | | X | | |
| 61. | Global Corporate Bond Fund | X | X | X | X | | | X | | X | | |
| 62. | Global Dynamic Equity Fund | X | | | X | | | | | X | | |
| 63. | Global Equity Income Fund | X | | | X | | | | | X | | |
| 64. | Global Government Bond Fund | | X | X | | | | | | | | |
| 65. | Global High Yield Bond Fund | | X | X | | | | | | X | | |
| 66. | Global Inflation Linked Bond Fund | | X | X | X | | | X | | X | | |
| 67. | Global Listed Infrastructure Fund | X | | | X | X | | | | X | | |
| 68. | Global Long-Horizon Equity Fund | X | | | X | | | | | X | | |
| 69. | Global Multi-Asset Income Fund | X | X | X | X | | | X | | X | | |
| 70. | Global Securitised Fund | X | | X | | | | | | X | | |
| 71. | Global Smaller Companies Fund | X | | | X | | | | | X | | |
| 72. | Global Unconstrained Equity Fund | X | | | | | | | | X | | |
| 73. | Impact Bond Fund | X | X | X | X | X | | X | | X | | |
| 74. | India Fund | X | | | X | | | | | X | | |
| 75. | Japan Flexible Equity Fund | | | | | | | | | | | |
| 76. | Japan Small & MidCap Opportunities Fund | | | | | | | | | X | | |
| 77. | Latin American Fund | X | | | X | | | | | X | | |
| 78. | MENA Bond Fund | X | | | X | | | | | X | | |
| 79. | Multi-Theme Equity Fund | X | | | | | | | | X | | |
| 80. | MyMap Cautious Fund | X | | | | | | | | X | | |
| 81. | MyMap Growth Fund | X | | | | | | | | X | | |
| 82. | MyMap Moderate Fund | X | | | | | | | | X | | |
| 83. | Natural Resources Fund | X | | | X | X | X | | | X | | |
| 84. | Next Generation Technology Fund | X | | | | X | | | | X | | |

## Specific Risk Considerations

| No. | FUND | Specific Risks – Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Emerging Markets/ Frontier Markets | Sovereign Debt | Bond Downgrade Risk | Restrictions on foreign Investments | Specific Sectors | Commodities accessed via ETFs | Bank Corporate Bonds | Turnover | Liquidity Risk | Fixed Maturity Funds | Non-Compliance with Shari'ah |
| 85. | Step Into Equity High Income Fund 2030 | X | X | X | X | X | | X | | X | X | |
| 86. | Sukuk Fund | X | X | X | X | X | | X | | X | | X |
| 87. | Sustainable Energy Fund | X | | | X | X | | | | X | | |
| 88. | Sustainable Global Allocation Fund | X | X | X | X | | X | X | | X | | |
| 89. | Swiss Small & MidCap Opportunities Fund | | | | | | | | | X | | |
| 90. | Systematic Asia Pacific Equity High Income Fund | X | | | X | | | | | X | | |
| 91. | Systematic China A-Share Opportunities Fund | X | | | X | | | | | X | | |
| 92. | Systematic China Environmental Tech Fund | X | | | X | X | X | X | | X | | |
| 93. | Systematic Islamic GCC Equity Fund | X | | | X | | | | | X | | X |
| 94. | Systematic Islamic Saudi Arabia Equity Fund | X | | | X | | | | | X | | X |
| 95. | Systematic Global Equity High Income Fund | X | | | X | | | | | X | | |
| 96. | Systematic Global Income & Growth Fund | X | X | X | X | | X | | | X | | |
| 97. | Systematic Global SmallCap Fund | X | | | X | | | | | X | | |
| 98. | Systematic Multi Allocation Credit Fund | X | X | X | X | | | X | | X | | |
| 99. | Systematic Nasdaq Equity High Income Fund | | | | | X | | | | | | |
| 100. | United Kingdom Fund | | | | | | | | | | | |
| 101. | US Basic Value Fund | | | | | | | | | | | |
| 102. | US Dollar Bond Fund | | X | X | | | | X | X | | | |
| 103. | US Dollar High Yield Bond Fund | | X | X | | | | X | | X | | |
| 104. | US Dollar Reserve Fund | | X | X | | | | X | | | | |
| 105. | US Dollar Short Duration Bond Fund | | X | X | | | | X | | X | | |
| 106. | US Flexible Equity Fund | | | | | | | | | | | |
| 107. | US Growth Fund | | | | | | | | | | | |
| 108. | US Mid-Cap Value Fund | | | | | | | | | X | | |
| 109. | World Bond Fund | X | X | X | | | | X | | X | | |
| 110. | World Energy Fund | X | | | X | X | X | | | X | | |
| 111. | World Financials Fund | X | | | X | X | | | | X | | |

Specific Risk Considerations

| No. | FUND | Specific Risks – Continued | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Emerging Markets/ Frontier Markets | Sovereign Debt | Bond Downgrade Risk | Restrictions on foreign Investments | Specific Sectors | Commodities accessed via ETFs | Bank Corporate Bonds | Turnover | Liquidity Risk | Fixed Maturity Funds | Non-Compliance with Shari'ah |
| 112. | World Gold Fund | X | | | X | X | X | | | X | | |
| 113. | World Healthscience Fund | X | | | X | X | | | | X | | |
| 114. | World Islamic Gold Fund | | | | X | X | | | | X | | X |
| 115. | World Mining Fund | X | | | X | X | X | | | X | | |
| 116. | World Real Estate Securities Fund | | | | | X | | | | | | |
| 117. | World Technology Fund | X | | | X | X | | | | X | | |

## Specific Risks

**Liquidity Risk**

Trading volumes in the underlying investments of the Funds may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Funds may become less liquid in response to market developments, adverse investor perceptions or regulatory and government intervention (including the possibility of widespread trading suspensions implemented by domestic regulators). In extreme market conditions, there may be no willing buyer for an investment and so that investment cannot be readily sold at the desired time or price, and consequently the relevant Fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of a Fund's assets can have a negative impact of the value of the relevant Fund or prevent the relevant Fund from being able to take advantage of other investment opportunities.

The liquidity of fixed income securities issued by small and mid-capitalisation companies and emerging country issuers is particularly likely to be reduced during adverse economic, market or political events or adverse market sentiment. The credit rating downgrade of fixed income securities and changes in prevailing interest rate environments may also affect their liquidity. See also the Specific Risk Considerations section in relation to different sub-categories of fixed income securities.

Similarly, investment in equity securities issued by unlisted companies, small and mid-capitalisation companies and companies based in emerging countries are particularly subject to the risk that during certain market conditions, the liquidity of particular issuers or industries, or all securities within a particular investment category, will reduce or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse market sentiment.

Liquidity risk also includes the risk that relevant Funds may be forced to defer redemptions, issue in specie redemptions or suspend dealing because of stressed market conditions, an unusually high volume of redemption requests, or other factors beyond the control of the Investment Adviser. See paragraphs 25. and 30. to 33. of Appendix B for further detail. To meet redemption requests, the relevant Funds may be forced to sell investments at an unfavourable time and/or conditions, which may have a negative impact on the value of your investment.

**Model Risk**

Certain Funds seek to pursue their investment objective by using proprietary models that incorporate quantitative analysis. Investments selected using these models may perform differently than as forecasted due to the factors incorporated into the models and the weighting of each factor, changes from historical trends, and issues in the construction and implementation of the models (including, but not limited to, software issues and other technological issues). There is no guarantee that BlackRock's use of these models will result in effective investment decisions for the Funds. The information and data used in the models may be supplied by third parties. Inaccurate or incomplete data may limit the effectiveness of the models. In addition, some of the data that BlackRock uses may be historical data, which may not accurately predict future market movement. There is a risk that the models will not be successful in selecting investments or in determining the weighting of investment positions that will enable the Funds to achieve their investment objective.

**Risk of Capital Erosion**

Certain Funds and/or Share Classes may be exposed to the risk of capital erosion as a result of the dividend policies they adopt and/or the investment strategies they pursue. Where distributions are made from net realised and net unrealised capital gains and/or capital or, where expenses are deducted from net realised and net unrealised capital gains and/or capital rather than income, this will result in capital erosion and therefore will reduce the potential for future capital growth.

Dividend Policies

Certain Funds and/or certain Share Classes (e.g. Distributing (G) Shares, Distributing (S) Shares, Distributing (R) Shares, Distributing (T) Shares, Distributing (C) and Distributing (Y) Shares) may make distributions from capital as well as from income and net realised and net unrealised capital gains. This may occur for example:

- if dividends are paid gross of fees and expenses this will mean fees and expenses are paid out of net realised and net unrealised capital gains or initially subscribed capital. As a result payment of dividends on this basis will reduce the capital of the Fund and/or relevant Share Class and will reduce the potential for future capital growth. See also "Tax Considerations" below; or

- if the level of dividends is determined without, or with minimal, reference to the income or capital gains generated or expected to be generated by the Fund, as in the case of Distributing (C) Shares, the dividends may exceed the realized total return attributable to that Share Class. In such cases, a material portion, and potentially all, of any dividend payment may be made out of capital. This would represent a return of the investor's original investment and would thereby reduce the potential for future capital growth;

- if dividends include Interest Rate Differential arising from Share Class currency hedging, this will mean that the dividend may be higher but capital of the relevant Share Class will not benefit from the Interest Rate Differential. Where net Share Class currency hedging returns do not fully cover the Interest Rate Differential portion of a dividend, such shortfall will have the effect of reducing capital. This risk of capital erosion is particularly relevant for Distributing (R) Shares as, for this Share Class, a material portion of any dividend payment may be made out of capital since the dividend is calculated on the basis of expected gross income plus Interest Rate Differential. Therefore the capital that is returned via the dividend is not available for future capital growth. Interest rates are subject to change which means that the Interest Rate Differential may reduce dividend.

- if the securities markets in which the Fund invests had declined to such an extent that the Fund has incurred net capital losses. This risk to capital growth is particularly relevant for Distributing (T) and Distributing (C) Shares as, for these Share Classes, a material portion of any dividend payment may be made out of capital since the dividend is calculated on the basis of expected gross total return with respect to the Distributing (T) Shares, or may not be linked to income or capital gains with respect to the distributing (C) Shares, and dividend may continue to be paid and the value of investment may fall more rapidly;

- if dividends calculated on an annual basis in respect of Distributing (Y) Shares are lower than the Dividend Threshold Amount, this will mean that there may be a shortfall which may need to be paid out of capital and therefore would have the effect of reducing capital. For this Share Class, the risk of capital erosion is particularly relevant, since any dividend distributions on an annual basis must be at least equal to the Dividend Threshold Amount, and in the event of a shortfall, a material portion of any dividend payment may be made out of capital. Therefore the capital that is returned via the dividend will not be available for future capital growth;

- In volatile or exceptional market conditions, the level of income of the fund may reduce. This may lead to the consistency of distributions being compromised and also an increase in distributions from capital, net realised and net unrealised gains, to reduce the fluctuations in the distribution rate per share, which may in turn increase the risk of capital erosion and reduce the potential for capital growth.

**Options Strategies**
In addition, certain Funds may pursue investment strategies, such as options strategies, in order to generate income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth as well as increasing any capital losses. Any such distributions may result in an immediate reduction of the Net Asset Value per Share. If a Fund adopts options strategies to generate income and as part of an options strategy, the Investment Adviser or its delegate is incorrect in its expectation of changes in the market prices or determination of the correlation between the instruments or indices on which the options are written or purchased and the instruments in a Fund's investment portfolio, that Fund may incur losses that it would not otherwise incur.

**Fixed Income Transferable Securities**
Debt securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated debt security or its issuer 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. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them.

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 a 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.

Issuers of non-investment grade or unrated debt may be highly leveraged and carry a greater risk of default. In addition, non-investment grade or unrated securities tend to be less liquid and more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities.

**Investment in High Yield Debt Securities**
Non-investment grade debt securities, also known as "high-yield" debt securities may carry a greater risk of default than higher rated debt securities. In addition, non-investment grade securities tend to be more volatile than higher rated debt securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated debt securities. Further, an issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity.

**Asset-Backed Securities ("ABS")**
An asset-backed security is a generic term for a debt security issued by corporations or other entities (including public or local authorities) backed or collateralised by the income stream from an underlying pool of assets. The underlying assets typically include loans, leases or receivables (such as credit card debt, automobile loans and student loans). An asset-backed security is usually issued in a number of different classes with varying characteristics depending on the riskiness of the underlying assets assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate. The higher the risk contained in the class, the more the asset-backed security pays by way of income.

The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. ABS and MBS are often exposed to extension risk (where obligations on the underlying assets are not paid on time) and prepayment risks (where obligations on the underlying assets are paid earlier than expected), these risks may have a substantial impact on the timing and size of the cashflows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets.

Specific types of ABS in which the Funds may invest are set out below:

*Generic risks related to ABS*

With regard to Funds that invest in ABS, while the value of ABS typically increases when interest rates fall and decreases when interest rates rise, and are expected to move in the same direction of the underlying related asset, there may not be a perfect correlation between these events.

The ABS in which the Fund may invest may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain ABS may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, a Fund may sell the ABS in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset.

ABS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, prepayments may occur at a slower rate than expected. As a result, the average duration of the Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

As with other debt securities, ABS are subject to both actual and perceived measures of creditworthiness. Liquidity in ABS may be affected by the performance or perceived performance of the underlying assets. In some circumstances investments in ABS may become less liquid, making it difficult to dispose of them. Accordingly, the Fund's ability to respond to market events may be impaired and the Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for an ABS may be volatile and may not be readily ascertainable. As a result, the Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

ABS may be leveraged which may contribute to volatility in the value of the security.

*Considerations relating to specific types of ABS in which a Fund may invest*

*Asset-Backed Commercial Paper – ("ABCP")*

An ABCP is a short-term investment vehicle with a maturity that is typically between 90 and 180 days. The security itself is typically issued by a bank or other financial institution. The notes are backed by physical assets such as trade receivables, and are generally used for short-term financing needs.

A company or group of companies looking to enhance liquidity may sell receivables to a bank or other conduit, which, in turn, will issue them to the Fund as commercial paper. The commercial paper is backed by the expected cash inflows from the receivables. As the receivables are collected, the originators are expected to pass on the funds.

*Collateralised Debt Obligation ("CDO")*

A CDO is generally an investment grade security backed by a pool of non-mortgage bonds, loans and other assets. CDOs do not usually specialise in one type of debt but are often loans or bonds. CDOs are packaged in different classes representing different types of debt and credit risk. Each class has a different maturity and risk associated with it.

*Agency Mortgage-Backed Security ("Agency MBS")*

An Agency MBS is a type of mortgage back security issued by government-sponsored enterprises such as the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association. It typically entails less credit and default risk compared to non-agency MBS.

*Collateralised Loan Obligations ("CLOs")*

CLOs are a type of securitisation backed by corporate loans (i.e. loans to businesses).

CLOs are predominantly backed by floating rate loans (although transactions typically allow some exposure to fixed-rate bonds and floating rate notes). The most common type of CLOs are referred to as "levered loan" CLOs and are backed predominantly by loans to high-yield (non-investment grade) companies. Levered loan CLOs are usually actively managed by a CLO manager who will be an asset manager active in the high yield market, although static (i.e. not actively managed) CLOs also exist and may be invested in by Fund.

CLOs are typically issued with multiple tranches, each with a different risk/return profile. The risk/return profile of a tranche is based on its credit quality, as determined by the credit quality of the underlying assets of the CLO and the ranking of the tranche relative to other tranches of the CLO in the priority of payments from those underlying assets. Payments from underlying assets are made to the tranches starting from the highest credit tranches to the lowest credit tranches. Credit and default risks are therefore generally higher for mezzanine and equity tranches of the CLO, while investment-grade tranches typically face lower exposure to such risks.

The price of CLOs owned by the Fund will generally fluctuate with, among other things, the financial condition of the underlying corporates that have borrowed money via the loans, general economic conditions, the condition of certain financial markets, political events, developments or trends in a particular industry, and changes in prevailing interest rates.

Credit rating downgrades can trigger forced selling and destabilise CLO prices. Returns may also be negatively impacted by reinvestment risk (i.e., the challenge of finding suitable loans in which to reinvest) and counterparty risk (e.g., the risk of default by parties involved in structuring or managing the CLO).

CLOs offer a diversified exposure to corporate debt as they typically contain loans to a significant number of different companies. Concentration of an underlying portfolio in any one company or industry increases risk from defaults or sector-specific downturns.

CLOs can be less liquid than other fixed income securities due to limited secondary market trading and dealer marks and valuations provided may not represent prices at which assets can actually be purchased or sold in the market from time to time.

CLO Manager Risk

The CLOs in which the Fund invests are managed by investment advisers which may not be the Investment Manager. CLO managers are responsible for selecting, managing and replacing the underlying bank loans or bonds within a CLO. CLO managers may have limited operating histories and may be subject to

conflicts of interests, including managing the assets of other clients or other investment vehicles, or receiving fees that incentivise maximising the yield, and indirectly the risk, of a CLO. Adverse developments with respect to a CLO manager, such as personnel and resource constraints, regulatory issues or other developments that may impact the ability and/or performance of the CLO manager, may adversely impact the performance of the CLO securities in which the Fund invests

*Credit Linked Note – ("CLN")*

A CLN is a security with an embedded credit default swap allowing the issuer to transfer a specific credit risk to the Fund.

CLNs are created through a special purpose company or trust, which is collateralised with securities rated in the top tier as determined by an accredited credit rating agency. The Fund buys securities from a trust that pays a fixed or floating coupon during the life of the note. At maturity, the Fund will receive the par value unless the referenced entity credit defaults or declares bankruptcy, in which case it receives an amount equal to the recovery rate. The trust enters into a default swap with a deal arranger. In case of default, the trust pays the dealer par minus the recovery rate in exchange for an annual fee which is passed on to the Fund in the form of a higher yield on the notes.

Under this structure, the coupon or price of the note is linked to the performance of a reference asset. It offers borrowers a hedge against credit risk, and offers the Fund a higher yield on the note for accepting exposure to a specified credit event.

*Synthetic Collateralised Debt Obligation*

A synthetic CDO is a form of collateralised debt obligation (CDO) that invests in credit default swaps (CDSs – see below) or other non-cash assets to gain exposure to a portfolio of fixed income assets. Synthetic CDOs are typically divided into credit classes based on the level of credit risk assumed. Initial investments into the CDO are made by the lower classes, while the senior classes may not have to make an initial investment.

All classes will receive periodic payments based on the cash flows from the credit default swaps. If a credit event occurs in the fixed income portfolio, the synthetic CDO and its investors including the Fund become responsible for the losses, starting from the lowest rated classes and working its way up.

While synthetic CDOs can offer extremely high yields to investors such as the Fund, there is potential for a loss equal to that of the initial investments if several credit events occur in the reference portfolio.

A CDS is a swap designed to transfer the credit exposure of fixed income products between parties. The buyer of a CDS receives credit protection (buys protection), whereas the seller of the swap guarantees the credit worthiness of the product. By doing this, the risk of default is transferred from the holder of the fixed income security to the seller of the CDS. CDS are treated as a form of OTC derivative.

*Whole Business Securitisation ("WBS")*

A WBS is defined as a form of asset-backed financing in which operating assets (which are long-term assets acquired for use in the business rather than for resale and includes property, plant, and equipment and intangible assets) are financed through the issues of notes via a special purpose vehicle (a structure whose operations are limited to the acquisition and financing of specific assets, usually a subsidiary company with an asset/liability structure and legal status that makes its obligations secure even if the parent company goes bankrupt) in the bond market and in which the operating company keeps complete control over the assets securitised. In case of default, control is handed over to the security trustee for the benefit of the note holders for the remaining term of financing.

*Mortgage-Backed Securities ("MBS")*

A mortgage-backed security is a generic term for a debt security backed or collateralised by the income stream from an underlying pool of commercial and/or residential mortgages. This type of security is commonly used to redirect the interest and principal payments from the pool of mortgages to investors. A mortgage-backed security is normally issued in a number of different classes with varying characteristics depending on the riskiness of the underlying mortgages assessed by reference to their credit quality and term and can be issued at a fixed or a floating rate of securities. The higher the risk contained in the class, the more the mortgage-backed security pays by way of income.

Specific types of MBS in which a Fund may invest are set out below.

*Generic risks related to MBS*

MBS may be subject to prepayment risk which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the Fund will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the Fund's portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

Because of prepayment risk and extension risk, MBS react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. Certain MBS in which the Fund may invest may also provide a degree of investment leverage, which could cause the Fund to lose all or a substantial amount of its investment.

In some circumstances investments in MBS may become less liquid, making it difficult to dispose of them. Accordingly, the Fund's ability to respond to market events may be impaired and the Fund may experience adverse price movements upon liquidation of such investments. In addition, the market price for MBS may be volatile and may not be readily ascertainable. As a result, the Fund may not be able to sell them when it desires to do so, or to realise what it perceives to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

*Considerations relating to specific types of MBS in which a Fund may invest*

*Commercial Mortgage Backed Security ("CMBS")*

A CMBS is a type of mortgage backed security that is secured by the loan on a commercial property; CMBS can provide liquidity to real estate investors and to commercial lenders. Typically a CMBS provides a lower degree of prepayment risk because commercial mortgages are most often set for a fixed term and not for a floating term as is generally the case with a residential mortgage. CMBS are not always in a standard form so can present increased valuation risk.

*Collateralised Mortgage Obligation ("CMO")*

A CMO is a security backed by the revenue from mortgage loans, pools of mortgages, or even existing CMOs, separated into different maturity classes. In structuring a CMO, an issuer distributes cash flow from the underlying collateral over a series of classes, which constitute a multiclass securities issue. The total revenue from a given pool of mortgages is shared between a collection of CMOs with differing cashflow and other characteristics. In most CMOs, coupon payments are not made on the final class until the other classes have been redeemed. Interest is added to increase the principal value.

CMOs aim to eliminate the risks associated with prepayment because each security is divided into maturity classes that are paid off in order. As a result, they yield less than other mortgage-backed securities. Any given class may receive interest, principal, or a combination of the two, and may include more complex stipulations. CMOs generally receive lower interest rates that compensate for the reduction in prepayment risk and increased predictability of payments. In addition, CMOs can exhibit relatively low liquidity, which can increase the cost of buying and selling them.

*Real Estate Mortgage Investment Conduits ("REMIC")*

A REMIC is an investment-grade mortgage bond that separates mortgage pools into different maturity and risk classes to the bank or conduit, which then passes the proceeds on to the note holders including the Fund. The REMIC is structured as a synthetic investment vehicle consisting of a fixed pool of mortgages broken apart and marketed to investors as individual securities and created for the purpose of acquiring collateral. This base is then divided into varying classes of securities backed by mortgages with different maturities and coupons.

*Residential mortgage-backed security ("RMBS")*

An RMBS is a type of security whose cash flows come from residential debt such as mortgages, home-equity loans and subprime mortgages. This is a type of MBS which focuses on residential instead of commercial debt.

Holders of an RMBS receive interest and principal payments that come from the holders of the residential debt. The RMBS comprises a large amount of pooled residential mortgages.

**Distressed Securities**

Investment in a security of an issuer that is either in default or in high risk of default ("Distressed Securities") involves significant risk. Such investments will only be made when the Investment Adviser believes either that the security trades at a materially different level from the Investment Adviser's perception of fair value or that it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation; however, there can be no assurance that such an exchange offer will be made or that such a plan of reorganisation will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made. In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange, offer or plan of reorganisation is completed. During this period, it is unlikely that any interest payments on the Distressed Securities will be received, there will be significant uncertainty as to whether fair value will be achieved or not and the exchange offer or plan of reorganisation will be completed, and there may be a requirement to bear certain expenses to protect the investing Fund's interest in the course of negotiations surrounding any potential exchange or plan of reorganisation. Furthermore, constraints on investment decisions and actions with respect to Distressed Securities due to tax considerations may affect the return realised on the Distressed Securities.

Some Funds may invest in securities of issuers that are encountering a variety of financial or earnings problems and represent distinct types of risks. A Fund's investments in equity or fixed income transferable securities of issuers in a weak financial condition may include issuers with substantial capital needs or negative net worth or issuers that are, have been or may become, involved in bankruptcy or reorganisation proceedings.

**Contingent Convertible Bonds**

A contingent convertible bond is a type of complex debt security which may be converted into the issuer's equity or be partly or wholly written off if a pre-specified trigger event occurs. Trigger events may be outside of the issuer's control. Common trigger events include the share price of the issuer falling to a particular level for a certain period of time or the issuer's capital ratio falling to a pre-determined level. Coupon payments on certain contingent convertible bonds may be entirely discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.

Events that trigger the conversion from debt into equity are designed so that conversion occurs when the issuer of the contingent convertible bonds is in financial difficulty, as determined either by regulatory assessment or objective losses (e.g. if the capital ratio of the issuer company falls below a pre-determined level).

Investment in contingent convertible bonds may entail the following (non-exhaustive) risks:

Contingent convertible bonds' investors may suffer a loss of capital when equity holders do not.

Trigger levels differ and determine exposure to conversion risk depending on the distance of the capital ratio to the trigger level. It might be difficult for the Fund to anticipate the trigger events that

would require the debt to convert into equity. Furthermore, it might be difficult for the Fund to assess how the securities will behave upon conversion.

In case of conversion into equity, the relevant Fund might be forced to sell these new equity shares because the investment policy of the relevant Fund may not allow equity in its portfolio. Such a forced sale, and the increased availability of these shares might have an effect on market liquidity in so far as there may not be sufficient demand for these shares. Investment in contingent convertible bonds may also lead to an increased industry concentration risk and thus counterparty risk as such securities are issued by a limited number of banks. Contingent convertible bonds are usually subordinated to comparable non-convertible securities, and thus are subject to higher risks than other debt securities.

In the event that a contingent convertible bond is written off (a "write-down") as the result of a pre-specified trigger event, the Fund may suffer a full, partial or staggered loss of the value of its investment. A write-down may be either temporary or permanent.

In addition, most contingent convertible bonds are issued as perpetual instruments which are callable at pre-determined dates. Perpetual contingent convertible bonds may not be called on the pre-defined call date and investors may not receive return of principal on the call date or at any date.

**Delayed Delivery Transactions**
Funds that invest in fixed income transferable securities may purchase "To Be Announced" securities contracts ("TBAs"). This refers to the common trading practice in the mortgage-backed securities market whereby a contract is purchased which entitles the buyer to buy a security from a mortgage pool (including but not limited to Ginnie Mae, Fannie Mae or Freddie Mac) for a fixed price at a future date. At the time of purchase the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. As a TBA is not settled at the time of purchase, this may lead to leveraged positions within a Fund. Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts. In certain jurisdictions, TBAs may be classed as financial derivative instruments.

The Funds may dispose of a commitment prior to settlement if it is deemed appropriate to do so. Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date), are held as cover for the transaction.

If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the Fund realises a gain or loss on the commitment without regard to any unrealised gain or loss on the underlying security. If the Fund delivers securities under the commitment, the Fund realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into.

**Smaller Capitalisation Companies**
The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many small company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the Net Asset Value of a Fund's Shares.

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

**Money-Market Instruments**
The Euro Reserve Fund and the US Dollar Reserve Fund invest a significant amount of their Net Asset Value in approved money-market instruments and in this regard investors might compare the funds to regular deposit accounts. Investors should however note that holdings in these Funds are subject to the risks associated with investing in a CIS, in particular the fact that the principal sum invested is capable of fluctuation as the Net Asset Value of the Funds fluctuates.

Money-market instruments are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated money-market instrument or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of these instruments, particularly in an illiquid market.

**Emerging Markets/Frontier Markets**
The following considerations, which apply to some extent to all international investments, are of particular significance in certain smaller emerging and frontier markets. Funds investing in equities (please refer to the respective investment objectives section of each relevant fund) may include investments in certain smaller emerging and frontier markets, which are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. The prospects for economic growth in a number of these markets are considerable and equity returns have the potential to exceed those in mature markets as growth is achieved. However, share price and currency volatility are generally higher in emerging and frontier markets.

Some governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems which may be exacerbated by climate change.

Certain economies also depend to a significant degree upon exports of primary commodities and, therefore, are vulnerable to changes in commodity prices which, in turn, may be affected by a variety of factors.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging and frontier markets may impose different capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging and frontier markets may be significantly different from those in developed markets. Compared to mature markets, some emerging and frontier markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a Fund's acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging and frontier markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable.

Delays in settlement could result in investment opportunities being missed if a Fund is unable to acquire or dispose of a security. The Depositary is responsible for the proper selection and supervision of its correspondent banks in all relevant markets in accordance with Luxembourg law and regulation.

In certain emerging and frontier markets, registrars are not subject to effective government supervision nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognise ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Investors should therefore be aware that the Funds concerned could suffer loss arising from these registration problems, and as a result of archaic legal systems a Fund may be unable to make a successful claim for compensation.

While the factors described above may result in a generally higher level of risk with respect to the individual smaller emerging and frontier markets, these may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the relevant Funds.

**Sovereign Debt**

Sovereign debt refers to debt obligations issued or guaranteed by governments or their agencies and instrumentalities (each a "governmental entity"). Investments in sovereign debt may involve a degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the international monetary bodies, any constraints placed on it by inclusion in a common monetary policy, or any other constraints to which a governmental entity might be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and other foreign entities to reduce principal and interest arrears on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign debt. Holders of sovereign debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities.

Sovereign debt holders may also be affected by additional constraints relating to sovereign issuers which may include (i) the restructuring of such debt (including the reduction of outstanding principal and interest and or rescheduling of repayment terms) without the consent of the impacted Fund(s) (e.g. pursuant to legislative actions unilaterally taken by the sovereign issuer and/or decisions made by a qualified majority of the lenders); and (ii) the limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment (for example there may be no bankruptcy proceedings available by which sovereign debt on which a government entity has defaulted may be recovered).

As set out in their investment policies, some of the Funds may invest in debt securities, issued by governments and agencies worldwide and may invest, from time to time, more than 10% of their Net Asset Value in non-investment grade debt securities issued by governments and agencies of any single country.

Non-investment grade, also known as "high-yield", sovereign debt may carry a greater risk of default than higher rated debt securities. In addition, non-investment grade securities tend to be more volatile than higher rated debt securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated debt securities. Further, an issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity.

Where Funds invest more than 10% of their Net Asset Value in debt securities issued by governments or agencies of any single country, they may be more adversely affected by the performance of those securities and will be more susceptible to any single economic, market, political or regulatory occurrence affecting that particular country or region.

**Sukuk Investment Risk**
Price changes in Sukuk are influenced predominantly by the value of the underlying asset. Factors that may impact the value of the underlying asset include volatility and interest rate levels. Price changes in Sukuk may also be influenced by interest rate developments in the capital markets, which in turn are influenced by macro-economic factors. Sukuk could suffer when capital market interest rates rise, while they could increase in value when capital market interest rates fall. The price changes also depend on the term or residual time to maturity of the Sukuk. In general, Sukuk with shorter terms have less price risks than Sukuk with longer terms. However, they generally have lower returns and, because of the more frequent due dates of the securities portfolios, involve higher re-investment costs. Sukuk may be issued by any corporate, sovereign, or supranational entity and may be backed or derive its value from any asset, tangible or otherwise, including home financings.

Sovereign Sukuk may involve a higher degree of risk than conventional governmental bonds due to their geographical concentration. The governmental entity that controls the repayment of Sovereign Sukuk may not be able or willing to repay the principal and/or return when due in accordance with the terms of such debt due to specific factors, including, but not limited to (i) their foreign reserves, (ii) the available amount of their foreign exchange as at the date of repayment, (iii) their failure to implement political reforms, and (iv) their policy relating to the International Monetary Fund. Sovereign Sukuk holders may also be affected by additional constraints relating to sovereign issuers which may include: (i) the unilateral rescheduling of such obligation by the issuer and (ii) the limited legal recourses available against the issuer (in case of failure of delay in repayment). Where a Fund invests in Sovereign Sukuk issued by governments or government related entities from emerging countries it will bear additional risks linked to the specifics of such countries (e.g. currency fluctuations, political and economic uncertainties, repatriation restrictions, etc.).

Sukuk issued or guaranteed by corporate or supranational entities are also subject to the risk that the obligor is unwilling or unable to make payments according to the terms of the Sukuk. Recourse to the obligor may be limited in such instances depending on the jurisdiction where the Sukuk was issued and the law governing the issuance.

High Yield Sukuk

Some Funds may invest in Sukuk that are rated sub-investment grade, or Sukuk which are unrated such Funds may be more volatile than funds investing in higher-rated Sukuk of similar maturity.

High yield Sukuk may also be subject to greater levels of credit or default risk than high-rated Sukuk. Such Sukuk are more likely to react to developments affecting market and credit risk than more highly rated securities. The value of high yield Sukuk can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and high yield Sukuk may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated Sukuk. In particular, high yield Sukuk are often issued by smaller, less creditworthy companies which are generally less able than more financially stable firms to make scheduled payments of profit and principal.

For further information on the risks associated with Funds which may invest in high yield securities, investors should refer to the “General Risks” and “Specific Risks” sections of this Prospectus.

Illiquidity of Sukuk Close to Maturity

In addition to the liquidity risks of Sukuk already described above, there is a risk that Sukuk 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.

Sukuk Issuer Rating

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 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.

Some Funds may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest may generally affect the Funds’ net 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 securities issued by such entity. The issuer's ability to service its 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, the Funds may experience losses and incur costs.

**Bond Downgrade Risk**
A Fund may invest in highly rated / investment grade bonds, however, where a bond is subsequently downgraded it may continue to be held in order to avoid a distressed sale. To the extent that a Fund does hold such downgraded bonds, there will be an increased risk of default on repayment, which in turn translates into a risk that the capital value of the Fund will be affected. Investors should be aware that the yield or the capital value of the Fund (or both) could fluctuate.

**Bank Corporate Bonds “Bail-in” Risk**
Corporate bonds issued by a financial institution in the European Union may be subject to the risk of a write down or conversion (i.e.

"bail-in") by an EU 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 EU member state 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 EU member state authorities are more likely to use a "bail-in" tool to rescue troubled banks, instead of relying on public financially support as they have in the past as EU member state 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.

**Restrictions on Foreign Investment**

Some countries prohibit or impose substantial restrictions on investments by foreign entities such as a Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of a Fund. For example, a Fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which a Fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where a Fund places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Fund of the ability to make its desired investment at the time. Substantial limitations may exist in certain countries with respect to a Fund's ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. A Fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed-end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If a Fund acquires shares in closed-end investment companies, Shareholders would bear both their proportionate share of expenses in the Fund (including management fees) and, indirectly, the expenses of such closed end investment companies. In addition, certain countries such as India and the PRC implement quota restrictions on foreign ownership of certain onshore investments. These investments may at times be acquired only at market prices representing premiums to their net asset values and such premiums may ultimately be borne by the relevant Fund. A Fund may also seek, at its own cost, to create its own investment entities under the laws of certain countries.

**Investments in the PRC**

Investments in the PRC are currently subject to certain additional risks, particularly regarding the ability to deal in securities in the PRC. Dealing in certain PRC securities is restricted to licensed investors and the ability of the investor to repatriate its capital invested in those securities may be limited at times. Due to issues relating to liquidity and repatriation of capital, the Company may determine from time to time that making direct investments in certain securities may not be appropriate for a UCITS. As a result, the Company may choose to gain exposure to PRC securities indirectly and may be unable to gain full exposure to the PRC markets.

**PRC Economic Risks**

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 PRC securities. The companies in which the relevant 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 the relevant 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 the relevant Fund's investments and increase the volatility and hence the risk of a loss to the value of an investment in the relevant Fund.

As with any fund investing in an emerging market country, the relevant Fund investing in the PRC may be subject to greater risk of loss than a fund investing in a developed market country. 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 PRC and therefore on the performance of the relevant 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.

**PRC Political Risks**
Any political changes, social instability and adverse diplomatic developments which may take place in, or in relation to, the PRC could result in significant fluctuation in the price of China A-Shares and/or China onshore bonds.

**Legal System of the PRC**
The PRC legal system is based on written statutes and their interpretation by the Supreme People's Court. Prior court decisions may be cited for reference but have no precedent value. Since 1979, the PRC government has been developing a comprehensive system of commercial laws and considerable progress has been made in introducing laws and regulations dealing with economic matters such as foreign investment, corporate organisation and governance, commerce, taxation and trade. However, because of the limited volume of published cases and judicial interpretation and their non-binding nature, the interpretation and enforcement of these regulations involves significant uncertainties. Given the short history of the PRC system of commercial laws, the PRC regulatory and legal framework may not be as well developed as those of developed countries. Such regulations also empower the CSRC and SAFE to exercise discretion in their respective interpretation of the regulations, which may result in increased uncertainties in their application. In addition, as the PRC legal system develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the relevant Fund's onshore business operations or the ability of the relevant Fund to acquire China A-Shares and/or China onshore bonds.

**Accounting and Reporting Standards**
PRC companies are required to comply with PRC accounting standards and practices which follow international accounting standards to a certain extent. However, the accounting, auditing and financial reporting standards and practices applicable to PRC companies may be less rigorous, and there may be significant differences between financial statements prepared in accordance with the PRC accounting standards and practice and those prepared in accordance with international accounting standards. For example, there are differences in the valuation methods of properties and assets and in the requirements for disclosure of information to investors.

**Renminbi Currency and Conversion Risks**
The Renminbi, the lawful currency of the PRC, is not currently a freely convertible currency and is subject to exchange control imposed by the PRC government. Such control of currency conversion and movements in the Renminbi exchange rates may adversely affect the operations and financial results of companies in the PRC. Insofar as the relevant Fund may invest in the PRC, it will be subject to the risk of the PRC government's imposition of restrictions on the repatriation of funds or other assets out of the country, limiting the ability of the relevant Fund to satisfy payments to investors.

Non-Renminbi based investors are exposed to foreign exchange risk and there is no guarantee that the value of Renminbi against the investors' base currencies (for example USD) will not depreciate. Any depreciation of Renminbi could adversely affect the value of investor's investment in the Funds.

The exchange rate used for all relevant Fund transactions in Renminbi is in relation to the offshore Renminbi ("CNH"), not the onshore Renminbi ("CNY"), save for those made via the QFI regime. The value of CNH could differ, perhaps significantly, from that of CNY due to a number of factors including without limitation those foreign exchange control policies and repatriation restrictions applied by the PRC government from time-to-time as well as other external market forces. Any divergence between CNH and CNY may adversely impact investors.

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

- As a result of Russia's action in Europe, as at the date of this Prospectus Russia has been the subject of economic sanctions imposed by the United States, the European Union and other countries throughout the world. The scope and level of the sanctions may increase and there is a risk that this may adversely affect the Russian economy and result in a decline in the value and liquidity of Russian securities, a devaluation of the Russian currency and/or a downgrade in Russia's credit rating. These sanctions could also lead to Russia taking counter-measures more broadly against Western and other countries. Depending on the form of action which may be taken by Russia and other countries, it could become more difficult for the Funds with exposure to Russia to continue investing in Russia and/or to liquidate Russian investments and expatriate funds out of Russia. Measures taken by the Russian government could include freezing or seizure of Russian assets of European residents which would reduce the value and liquidity of any Russian assets held by the Funds. If any of these events were to occur, the Directors may (at their discretion) take such action as they consider to be in the interests of Shareholders in Funds which have investment exposure to Russia, including (if necessary) suspending trading in the Funds (see section 30. entitled "Suspensions and Deferrals" in Appendix B for more details).

- The laws relating to securities investments and regulations have been created on an ad-hoc basis and do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application. Monitoring and enforcement of applicable regulations is rudimentary.

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

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.

**Euro and Euro Zone Risk**
The success of the Euro and the Eurozone is dependant on the general economic and political condition of each member state, as well as each state's credit worthiness and the willingness of the members to remain committed to monetary union and support for the other members. Default by any state on its Euro debts or a material decline in the credit rating of any Eurozone state could have a material negative impact on a Fund and its investments. The base currency of a number of the Funds is Euro and/or may

hold Euro denominated assets either directly or as collateral and may experience a reduction of the value and/or liquidity of their investments as a result of events in the Eurozone regardless of the measures the Investment Adviser or Directors may take to reduce this risk.

The Eurozone is subject to risks arising from different trends, including high inflation, rapid monetary policy tightening, geopolitical instability, and an uncertain economic outlook, which could lead to new shocks and asset price corrections.

This situation has raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Euro zone. The departure or risk of departure from the Euro by one or more Euro zone countries could lead to the reintroduction of national currencies in one or more Euro zone 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 the Fund's investments, including risk of redenomination from Euro into another currency, possible capital controls and legal uncertainty as to the ability to enforce obligations and debts. Shareholders should carefully consider how changes to the Euro zone and European Union may affect their investment in the Fund.

**Fund of funds**
Where a Fund may invest all or substantially all of its assets in CIS, the investment risks applicable to the target funds will apply in addition to the risks applicable to the Fund's direct investments. The investment in CIS may result in an increase of the TER and/or Ongoing Charges, subject to the limit described in Appendix A. A fund of funds may be permitted to invest in other Funds in the Company. Investors should be aware and understand that from time to time, the Investment Adviser may decide to only invest in investment products which are managed by the Management Company or an associate of the Management Company. Such an approach may, from time to time, limit the investment universe from which the Investment Adviser selects the investments of the fund of funds.

**Funds Investing in Specific Sectors**
Where investment is made in one or in a limited number of market sectors, Funds may be more volatile than other more diversified Funds. The companies within these sectors may have limited product lines, markets, or financial resources, or may depend on a limited management group.

Such Funds may also be subject to rapid cyclical changes in investor activity and / or the supply of and demand for specific products and services. As a result, a stock market or economic downturn in the relevant specific sector or sectors would have a larger impact on a Fund that concentrates its investments in that sector or sectors than on a more diversified Fund.

There may also be special risk factors associated with individual sectors. For example, the stock prices of companies operating in natural resource related sectors, such as precious and other metals may be expected to follow the market price of the related natural resource, although there is unlikely to be perfect correlation between these two factors. Precious and other metal prices historically have been very volatile, which may adversely affect the financial condition of companies involved with precious and other metals. Also, the sale of precious and other metals by governments or central banks or other larger holders can be affected by various economic, financial, social and political factors, which may be unpredictable and may have a significant impact on the prices of precious and other metals. Other factors that may affect the prices of precious and other metals and securities related to them include changes in inflation, the outlook for inflation and changes in industrial and commercial supply and demand for such metals. There may also be increased impacts on the value of the investments in these Funds as a result of environmental factors (both physical changes related to climate change and the transition to alternative energy), as well as social and governance factors. Funds with specific sectoral concentrations such as investing in industries 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.

Real estate securities are subject to some of the same risks associated with the direct ownership of real estate including, but not limited to: adverse changes in the conditions of the real estate markets, changes in the general and local economies, obsolescence of properties, changes in availability of real estate stock, vacancy rates, tenant bankruptcies, costs and terms of mortgage financing, costs of operating and improving real estate and the impact of laws affecting real estate (including environmental and planning laws).

However, investing in real estate securities is not equivalent to investing directly in real estate and the performance of real estate securities may be more heavily dependent on the general performance of stock markets than the general performance of the real estate sector. Historically there had been an inverse relationship between interest rates and property values. Rising interest rates can decrease the value of the properties in which a real estate company invests and can also increase related borrowing costs. Either of these events can decrease the value of an investment in real estate companies.

The current taxation regimes for property-invested entities are potentially complex and may change in the future. This may impact either directly or indirectly the returns to investors in a real estate fund and the taxation treatment thereof. There may also be increased impacts on the value of the investments in these Funds as a result of geographical concentration in locations the value of the investments in the Funds may be more susceptible to adverse physical climate events, as well as social and governance factors.

For Funds investing in the technology sector, companies within this sector typically face intense competition which may have an adverse effect on profit margins. The products of technology companies may become less competitive or obsolete due to technological developments and frequent new product innovation in the industry, unpredictable changes in growth rates and competition for qualified and skilled personnel. Companies in this sector tend to be heavily dependent on patent and intellectual property rights and their profitability may be adversely affected by loss or impairment of these rights. Certain technology companies may be reliant on limited product lines, markets, financial resources and/or certain key personnel. Other risk factors may include (but are not limited to) substantial capital requirements, government regulations and taxes. Certain parts of the technology sector may also be adversely affected by competitive demand for commodities and changes in commodity prices which may be unpredictable. Price movements of company stocks within the technology sector may be more volatile than other sectors.

**Portfolio Concentration Risk**
Certain Funds may invest in a limited number of securities compared to other more diversified Funds holding a larger number of securities. Where a Fund holds a limited number of securities and is considered concentrated, the value of the Fund may fluctuate more than that of a diversified Fund holding a greater number of securities. The selection of securities in a concentrated portfolio may also result in sectoral and geographical concentration.

For Funds with geographical concentration, the value of the Funds may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, sustainability related, legal or regulatory event affecting the relevant market.

**Turnover Risk**
The US Dollar Bond Fund may have a large exposure to US Treasury bonds. The Investment Adviser supports the liquidity of the Fund by ensuring that it invests in "on the run" Treasury bonds which are those that have recently been issued and are hence most liquid. The Investment Adviser has therefore a policy of rotating the bonds to offer greater liquidity for a lower cost of trading. However, this policy may result in additional transaction costs which will be borne by the Fund and may adversely affect the Fund's Net Asset Value and the interest of relevant Shareholders.

**Exposure to Commodities within Exchange Traded Funds**
An Exchange Traded Fund investing in commodities may do so by replicating the performance of a commodities index. The underlying index may concentrate investment on selected commodity futures on multinational markets. This makes the underlying exchange traded fund extremely dependent on the performance of the commodity markets concerned.

**ESG Investment Policy Risk**
The ESG Funds will use certain ESG criteria in their investment strategies, as determined by the data provided by their respective ESG Providers and as set out in their respective investment policies. Different ESG Funds may use one or more different ESG Providers, and the way in which different ESG Funds will apply ESG criteria may vary.

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

In the event the ESG characteristics of a security held by an ESG Fund change, resulting in the Investment Adviser having to sell the security, neither the ESG Fund, the Company nor the Investment Advisers accept liability in relation to such change.

No investment will be made in contravention of Luxembourg law. Please also see the note on the United Nations Convention on Cluster Munitions, under the heading "Investment Objectives and Policies", on page 51.

Any website indicated in the investment policy of an ESG Fund includes information on the index methodology published by the relevant ESG Provider and explains which types of issuer or security are excluded, for example by reference to the sector from which they derive their revenue. Such sectors might include Tobacco, Weapons or Thermal Coal. The relevant exclusions might not correspond directly with investors own subjective ethical views.

ESG Funds will vote proxies in a manner that is consistent with the relevant ESG exclusionary criteria, which may not always be consistent with maximising the short-term performance of the relevant issuer.

In evaluating a security or issuer based on ESG criteria, the Investment Adviser is dependent upon information and data from third party ESG Providers and other data providers, which may be incomplete, inaccurate, inconsistent or unavailable. As a result, there is a risk that the Investment Adviser may incorrectly assess a security or issuer. There is also a risk that the Investment Adviser may not apply the relevant ESG criteria correctly or that an ESG Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near- cash instruments, shares or units of CIS, and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers which may not be consistent with the relevant ESG criteria used by such ESG Fund. Neither the ESG Funds, the Company nor the Investment Advisers make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such ESG assessment.

**MSCI ESG Screening Criteria**
Certain ESG Funds will apply ESG criteria as defined by MSCI, an ESG Provider.

The MSCI methodology positively screens and ranks potential constituents according to their ESG credentials relative to their industry peers. No exclusion is made by MSCI on the basis of how ethical a particular industry/sector is perceived to be. Investors should make a personal ethical assessment of MSCI's ESG rating and/or controversies score and how they will be utilised as part of the relevant Fund's investment policy prior to investing in such Fund. Such ESG screening may affect, adversely or otherwise, the value and/or quality of the Fund's investments compared to a fund without such screening.

**Fixed Maturity Funds**
Fixed Maturity Funds are designed for investors whose Shares will be held until the relevant Fund's Maturity Date as specified for each Fund under the section "Investment Objectives and Policies of the Funds". Investors, in particular investors who redeem their Shares prior to the relevant Fund's Maturity Date, may suffer a loss of capital. Although Fixed Maturity Funds seek to provide income whilst also aiming to preserve capital in accordance with their relevant investment objective, there is no guarantee that either will be achieved. The Fixed Maturity Funds' capital is at risk.

The nature of the Fixed Maturity Funds' investment objectives and policies means that the risk profile of the Funds may vary over time. At any time, the Fixed Maturity Funds may be invested and/or exposed to the various risks inherent in a portfolio of corporate and sovereign bonds. As these securities mature and as the Maturity Date approaches, the nature of the risks associated with the portfolio may change. The Fixed Maturity Funds' risk profile may therefore change significantly between the applicable launch date,

the time when it is fully invested in the relevant target assets and as they approach the Maturity Date.

Whilst aiming to provide income and to preserve capital in accordance with its investment objective, the Fixed Maturity Funds offer no such guarantee that either will be achieved and investors may suffer a loss of capital. In scenarios where investors wish to redeem their Shares prior to the relevant Fund's Maturity Date the loss of capital may be greater. Fixed Maturity Funds may also see an enhanced risk to early closure if insufficient capital is raised during the applicable Initial Offer Period and Pre-Investment Period or in the case that investors representing significant proportions of the relevant Fund wish to redeem their Shares prior to the Fund's Maturity Date. Given the changing nature of the assets held during the relevant Pre Investment Period, Ramp Up Period, Investment Period and Post Investment Period, as outlined in each Fund's investment objective and policy, the risks incurred by investors will differ during each period. As a result, investors should refer to the applicable instrument type risks in the general risk section.

The nature of the Sub-Fund's investment objective and policy means that the risk profile of the Fund may vary over time. At any time, the Fund may be invested and/or exposed to the various risks inherent in a portfolio of investment grade and sub-investment grade emerging market fixed income transferable securities. As these securities mature and as the Maturity Date approaches, the nature of the risks associated with the portfolio may change. The Sub-Fund's risk profile may therefore change significantly between its Launch Date, the time when it is fully invested in fixed income securities and as it approaches the Maturity Date.

**Risk of non-compliance with Shariah**
The Investment Adviser will undertake the investment activities of a Shari'ah Fund in accordance with the principles of Shari'ah and (i) the methodology used by the Index provider as further detailed in section "Investments in a Shari'ah Fund" of the Appendix A or, (ii) another methodology as set out in the relevant Shari'ah Fund's Investment Objective and Policy below. Notwithstanding the foregoing, all investments in each Shari'ah Fund shall, in all cases, be subject to an annual screening conducted by the Shari'ah Panel. These requirements may lead to investments being assessed or reclassified as non-compliant with Shari'ah. The reclassification of an investment as non-compliant with Shari'ah may be due to factors outside of the control of a Shari'ah Fund, the Investment Adviser, the Index provider and the Shari'ah Panel, such as new interpretations or regulations as to the eligibility of certain instruments. In the event the Investment Adviser is required to rectify any Shari'ah non-compliance by disposing of the relevant investments, a Shari'ah Fund may bear losses from the disposal. In the event of gains or profits received from the disposal of non-Shari'ah compliant investments, such amount is intended to be donated to approved charities for purification purposes, as further detailed in section "Purification of non-Shari'ah compliant Income". Any such disposal shall be carried out in accordance with the provisions of the Shari'ah guidelines issued to each Shari'ah or with Shari'ah principles as applicable.

<u>Specific Risks related to Funds that directly invest into listed shares on the Saudi Stock Exchange</u>

**Saudi Qualified Foreign Investor Regime – General Risks**
The Rules for Foreign Investment in Securities were introduced in 2023. Accordingly, the application and interpretation of such investment regulations are therefore untested and in certain material respects, there remains a lack of clarity and certainty as to how they will be applied by the regulator and/or interpreted by Saudi Qualified Foreign Investors. It is not possible to predict the future development of the Saudi Qualified Foreign Investor regime. Any change in the Saudi Qualified Foreign Investor regime generally, including the possibility of the Investment Adviser losing its Saudi Qualified Foreign Investor status, may affect the relevant Fund's ability to invest in shares listed on the Saudi Stock Exchange through the Investment Adviser.

**Saudi Qualified Foreign Investor Regime – Foreign Ownership Limits**
The relevant Fund's investment in Saudi shares is dependent on the Investment Adviser being able to buy and sell shares listed on the Saudi Stock Exchange. The ability of the Investment Adviser to trade in Saudi listed shares is dependent on none of the prescribed foreign ownership limits being exceeded. The Saudi Qualified Foreign Investor Rules and Saudi Capital Markets Law prescribe certain foreign investment ownership limits on Saudi Qualified Foreign Investors (e.g. a Fund) and their affiliates, which take the form of various maximum ownership thresholds. For example, one of the key threshold limits is an aggregate total cap (at 49%) on foreign ownership of Saudi listed shares, which applies not just to Saudi Qualified Foreign Investors, but all other categories of foreign investors as well (e.g. foreigners resident in Saudi Arabia; investors holding interests in Saudi listed shares via swap contracts or participation notes; and non-resident foreign shareholders who owned stakes in companies prior to their listings). The CMA provides ongoing information relating to these thresholds on their website (http://www.cma.orgsa) in order to assist Saudi Qualified Foreign Investors and other market participants in complying with such limits. The Investment Adviser has the flexibility to invest in Saudi listed shares on behalf of more than one Saudi Qualified Foreign Investor. Therefore, it may invest in shares on behalf of multiple funds under its management which are Saudi Qualified Foreign Investors from time to time, all of which would count towards the foreign ownership thresholds. In the event that a relevant foreign ownership limit is reached or exceeded, it could result in the relevant Fund not being able to acquire additional KSA listed shares. Moreover, as approved Saudi Qualified Foreign Investors are not permitted under the current Rules for Foreign Investment in Securities to also be the ultimate beneficial owners of Saudi-listed securities underlying derivatives (e.g. swaps or participation notes) traded through the Saudi swap framework, it will not be possible, in such circumstances, for the relevant Fund as a Saudi Qualified Foreign Investor to take indirect/synthetic exposure (e.g. via swaps or participation notes) to Saudi listed shares in addition to its physical/direct holdings. This may ultimately result in (i) the relevant Fund not being able to accept any further subscriptions for Shares and its Shares trading at a significant premium or discount to their net asset value on a stock exchange on which they are admitted to trading; and (ii) a negative or positive performance impact to the relevant Fund and, by extension, its Shareholders, as compared to the Index.

The ability of the Investment Adviser to trade in Saudi listed shares is also dependent on the ability of the Investment Adviser and relevant Fund to maintain its Saudi Qualified Foreign Investors status. Certain approved Saudi Qualified Foreign Investors may apply, via a third party assessing authorised person (mandated as such by the CMA pursuant to the Saudi Qualified Foreign Investors Rules), to the CMA for approval as a Saudi Qualified Foreign Investors. Only once an investment fund is approved by the CMA as a Saudi Qualified Foreign Investors under the Saudi Qualified

Foreign Investors Rules can it, via its investment Adviser, invest in Saudi listed shares on the Saudi Stock Exchange. To the extent that the Investment Adviser and/or the relevant Fund loses its Saudi Qualified Foreign Investors status or laws and regulations change such that the Saudi Qualified Foreign Investors regime is no longer available to the Investment Adviser and/or the relevant Fund, it will be more difficult for the relevant Fund to achieve its investment objective. In such an event, the relevant Fund may use techniques to invest in securities or other instruments that are not constituents of the Index, but which provide a similar exposure to the return of the Index. These instruments may include offshore futures, other exchange-traded funds that would provide a similar exposure or unfunded swap agreements, which are agreements whereby a counterparty agrees to provide the relevant Fund with the returns of a specific exposure, i.e. the Index, in return for a fee. The CMA may introduce further limitations or restrictions on the foreign ownership of securities in the KSA, which may have adverse effects on the liquidity and the performance of the relevant Fund. Such limitations and restrictions may restrict the relevant Fund's ability to pursue its investment objective and policy.

**Legal System of the KSA**
The KSA legal system primarily is based on Shari'ah law with codified laws and regulations that are predominantly interpreted in accordance with Islamic principles. Prior court decisions may be cited for reference but do not have precedent value. Because of the lack of volume of published cases and judicial interpretation and the fact that, in any event, the outcome of previously determined cases would not be binding in nature, the interpretation and enforcement of applicable Saudi laws and regulations involves significant uncertainties. In addition, as the KSA legal system, and the Saudi Qualified Foreign Investor regime in particular, develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the relevant Fund's operations or the ability of the relevant Fund to acquire Saudi listed shares.

**Potential Market Volatility Risk**
Investors should note that the Saudi Stock Exchange is admitting foreign investors, pursuant to the regime established by the Rules for Foreign Investment in Securities, for the first time. Market volatility may result in significant fluctuation in the prices of securities traded on the Saudi Stock Exchange, which would therefore impact upon the Net Asset Value of the relevant Fund.

**Commodity Risk**
The relevant Fund may invest in Saudi Arabian issuers that are susceptible to fluctuations in certain commodity markets. Any negative changes in commodity markets that may be due to changes in supply and demand for commodities, market events, regulatory developments or other factors that the Fund cannot control could have an adverse impact on those companies.

**Nationalisation Risk**
Investments in Saudi Arabia may be subject to loss due to expropriation or nationalisation of assets and property or the imposition of restrictions on foreign investments and repatriation of capital.

## Specific Risks Applicable to QFI Investing

**Please refer to the section entitled "QFI Investments" in the "Investment Objectives and Policies" section for an overview of the QFI Scheme.**

The QFI Access Funds may invest directly in the PRC by investing in China A-Shares and/or China onshore bonds (as relevant) via the QFI status of BAMNA or an affiliate in the BlackRock Group who is a QFI Licence Holder.

In addition to the risks set out under "Investments in the PRC" and other risks applicable to the QFI Access Funds the following additional risks apply:

**QFI Risk**
The application and interpretation of the regulations which regulate investments through QFI regime in the PRC are relatively untested and there is no certainty as to how they will be applied as the PRC authorities and regulators have been given wide discretion in such investment regulations and there is no precedent or certainty as to how such discretion may be exercised now or in the future. It is not possible to predict the future development of the QFI system. Any restrictions on repatriation imposed in respect of the relevant QFI Access Fund's QFI investments may have an adverse effect on the QFI Access Fund's ability to meet redemption requests. Any change in the QFI system generally, including the possibility of the QFI losing its QFI status, may affect the relevant QFI Access Fund's ability to invest in eligible securities in the PRC directly through the relevant QFI. In addition, should the QFI status be suspended or revoked, the relevant QFI Access Fund's performance may be adversely affected as the relevant QFI Access Fund may be required to dispose of its QFI eligible securities holdings. The applicable laws, rules and regulations on QFI are subject to change and such change may have potential retrospective effects.

**QFI Investment Restrictions Risk**
Although the QFI does not anticipate that QFI investment restrictions will impact on the ability of the QFI Access Funds to achieve their investment objectives, investors should note that the relevant PRC laws and regulations may limit the ability of a QFI to acquire China A-Shares in certain PRC issuers from time to time. This may occur in a number of circumstances, such as (i) where an underlying foreign investor such as the QFI holds in aggregate 10% of the total share capital of a listed PRC issuer (regardless of the fact that the QFI may hold its interest on behalf of a number of different ultimate clients), and (ii) where the aggregated holdings in China A-Shares by all underlying foreign investors (including other QFIIs and QFIs and whether or not connected in any way to the QFI Access Funds) already equal 30% of the total share capital of a listed PRC issuer. In the event that these limits are exceeded the relevant QFIs will be required to dispose of the China A-Shares in order to comply with the relevant requirements and, in respect of (ii), each QFI will dispose of the relevant China A-Shares on a "last in first out" basis. Such disposal will affect the capacity of the relevant QFI Access Fund in making investments in China A-Shares through the QFI.

**Suspensions, Limits and other Disruptions affecting Trading of China A-Shares**
Liquidity for China A-Shares will be impacted by any temporary or permanent suspensions of particular stocks imposed from time to time by the Shanghai and/or Shenzhen stock exchanges or pursuant to any regulatory or governmental intervention with respect to particular investments or the markets generally. Any such suspension or corporate action may make it impossible for the relevant QFI Access Fund to acquire or liquidate positions in the relevant stocks as part of the general management and periodic adjustment of the QFI Access Fund's investments through

the QFI or to meet redemption requests. Such circumstances may also make it difficult for the Net Asset Value of the QFI Access Fund to be determined and may expose the QFI Access Fund to losses.

In order to mitigate the effects of extreme volatility in the market price of China A-Shares, the Shanghai and Shenzhen stock exchanges currently limit the amount of fluctuation permitted in the prices of China A-Shares during a single trading day. The daily limit is currently set at 10% and represents the maximum amount that the price of a security (during the current trading session) may vary either up or down from the previous day's settlement price. The daily limit governs only price movements and does not restrict trading within the relevant limit. However, the limit does not limit potential losses because the limit may work to prevent a liquidation of any relevant securities at the fair or probable realisation value for such securities which means that the relevant QFI Access Fund may be unable to dispose of unfavourable positions. There can be no assurance that a liquid market on an exchange would exist for any particular China A- Share or for any particular time.

**Counterparty Risk to the QFI Custodian and other Depositaries for PRC assets**

Any assets acquired through the QFI regime will be maintained by the QFI Custodian pursuant to the PRC regulations, in electronic form via the QFI securities account(s) and any cash will be held in Renminbi cash account(s) (as defined under the section "QFI Investments") with the QFI Custodian. QFI securities account(s) and Renminbi cash account(s) for the relevant QFI Access Fund in the PRC are maintained in accordance with market practice. Whilst the assets held in such accounts are segregated and held separately from the assets of the QFI and belong solely to the relevant QFI Access Fund, it is possible that the judicial and regulatory authorities in the PRC may interpret this position differently in the future. The relevant QFI Access Fund may also incur losses due to the acts or omissions of the QFI Custodian in the execution or settlement of any transaction or in the transfer of any funds or securities.

Cash held by the QFI Custodian in the Renminbi cash account(s) will not be segregated in practice but will be a debt owing from the QFI Custodian to the relevant QFI Access Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the QFI Custodian. In the event of insolvency of the QFI Custodian, the relevant QFI Access Fund will not have any proprietary rights to the cash deposited in the cash account opened with the QFI Custodian, and the QFI Access Fund will become an unsecured creditor, ranking pari passu with all other unsecured creditors, of the QFI Custodian. The QFI Access Fund 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 QFI Access Fund will lose some or all of its cash.

**Counterparty Risk to PRC broker(s)**

The QFI selects brokers in the PRC ("PRC Broker(s)") to execute transactions for the relevant QFI Access Fund in markets in the PRC. There is a possibility that the QFI may only appoint one PRC Broker for each of the SZSE and the SSE, which may be the same broker. While up to three PRC Brokers can be appointed for each of the Shenzhen and Shanghai stock exchanges, as a matter of practice, it is likely that that only one PRC Broker will be appointed in respect of each stock exchange in the PRC as a result of the requirement in the PRC that securities are sold through the same PRC Broker through which they were originally purchased.

If, for any reason, the QFI is unable to use the relevant broker in the PRC, the operation of the relevant QFI Access Fund may be adversely affected. The QFI Access Fund may also incur losses due to the acts or omissions of any of the PRC Broker(s) in the execution or settlement of any transaction or in the transfer of any funds or securities.

If a single PRC Broker is appointed, the relevant QFI Access Fund may not pay the lowest commission available in the market. However, the QFI shall, in the selection of PRC Brokers, have regard to factors such as the competitiveness of commission rates, size of the relevant orders and execution standards.

There is a risk that the relevant QFI Access Fund may suffer losses from the default, insolvency or disqualification of a PRC Broker. In such event, the relevant QFI Access Fund may be adversely affected in the execution of transactions through such PRC Broker. As a result, the Net Asset Value of the relevant QFI Access Fund may also be adversely affected. To mitigate the Company's exposure to the PRC Broker(s), the QFI employs specific procedures to ensure that each PRC Broker selected is a reputable institution and that the credit risk is acceptable to the Company.

**Remittance and Repatriation of Renminbi**

Repatriations of Renminbi by QFIs are currently not subject to any lock-up periods or prior regulatory approval; although authenticity and compliance reviews will be conducted and monthly reports on remittances and repatriations will be submitted to SAFE by the QFI Custodian. The repatriation process may be subject to certain requirements set out in the relevant regulations (e.g. submission of certain documents when repatriating the realised cumulative profits). Completion of the repatriation process may be subject to delay. There is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Further, such changes to the PRC rules and regulations may be applied retroactively. Any restrictions on repatriation imposed in respect of the relevant QFI Access Fund's cash may have an adverse effect on the QFI Access Fund's ability to meet redemption requests.

Furthermore, as the QFI Custodian's review on authenticity and compliance is conducted on each repatriation, the repatriation may be delayed or even rejected by the QFI Custodian in case of non-compliance with the QFI rules and regulations. In such case, it is expected that redemption proceeds will be paid to the redeeming Shareholder as soon as practicable and after the completion of the repatriation of funds concerned. The actual time required for the completion of the relevant repatriation will be beyond the QFI's control.

## Specific Risks Applicable to investing via the Stock Connects

**Please refer to the section entitled "Stock Connects" in the "Investment Objectives and Policies" section for an overview of the Stock Connects.**

The Stock Connect Funds may invest in China A-Shares via the Stock Connects. In addition to risks regarding "Investments in the PRC" and other risks applicable to the Stock Connect Funds the following additional risks apply:

**Quota Limitations**
The Stock Connects are subject to quota limitations, further details of which are set out in the "Investment Objectives and Policies" section below. In particular, once 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 the eligible securities through the Stock Connect on a timely basis, and the relevant Stock Connect Fund may not be able to effectively pursue its investment strategy.

Legal / Beneficial Ownership
The SSE Securities and SZSE Securities each as defined under "Stock Connects" in the "Investment Objectives and Policies" section in respect of the Stock Connect Funds are held by the Depositary/ sub-custodian in accounts in the Hong Kong Central Clearing and Settlement System ("CCASS") maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the SSE Securities and SZSE Securities, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connects. The precise nature and rights of the Stock Connect Funds as the beneficial owners of the SSE Securities and SZSE Securities 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 SSE Securities and SZSE Securities 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 relevant sections from this 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 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 to realise their rights over the SSE Securities acquired through the Northbound Trading Link?***

*Mainland 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 courts.*

**Clearing and Settlement Risk**
HKSCC and ChinaClear have established the clearing links and each has become a participant of the 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 Northbound trades 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 securities 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**
Each of 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 would 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 Connects only operate 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. So 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 Connects. 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 Connects 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. Because of this requirement, a Stock Connect Fund may not be able to dispose of its holdings of China A-Shares in a timely manner.

Alternatively, if a Stock Connect Fund maintains its SSE Securities and/or SZSE Securities with a custodian which is a custodian participant or general clearing participant participating in the CCASS, the Stock Connect Fund may request such custodian to open a special segregated account ("SPSA") in CCASS to maintain its holdings in SSE Securities and/or SZSE Securities (as the case may be) under the enhanced pre-trade checking model. Each SPSA will be assigned a unique "Investor ID" by CCASS for the purpose of facilitating the Stock Connects system to verify the holdings of an investor such as the Stock Connect Fund. Provided that there is sufficient holding in the SPSA when a broker inputs the Stock Connect Fund's sell order, the relevant Stock Connect Fund will only need to transfer SSE Securities and/or SZSE Securities from its SPSA to its broker's account after execution and not before placing the sell order and the relevant Stock Connect Fund will not be subject to the risk of being unable to dispose of its holdings of SSE Securities and/or SZSE Securities in a timely manner due to failure to transfer SSE Securities and/or SZSE Securities to its brokers in a timely manner.

To the extent a Stock Connect Fund is unable to utilize the SPSA model, it would have to deliver SSE Securities and/or SZSE Securities to its brokers before the market opens on the trading day. Accordingly, if there are insufficient SSE Securities and/or SZSE Securities 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 its performance.

**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 four hours between stocks and cash movement. This applies to settlement in CNH 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 but the use of RDVP is not mandatory. The clearing participants must agree to settle the transaction RDVP and indicate RDVP on the settlement instruction in a specific field. If either of the clearing participants are unable to settle the trades RDVP, there is a risk that the trades could either fail or revert to normal DVP based on amendment from both parties. If the trades are to revert to normal DVP, an amended instruction from the Stock Connect Fund must be provided before the published cut-off and matched with the broker's amended instruction before the market cut off; in the absence of such amended instructions, there is a risk 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.

**Operational Risk**
The Stock Connects are 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 PRC market (and hence to pursue its investment strategy) may be adversely affected.

**Regulatory Risk**
The Stock Connect is a novel concept. Because the Stock Connect rules are relatively recent, their interpretation and enforcement may involve significant uncertainty. In addition, the current regulations are subject to change which may have potential retrospective effects and there can be no assurance that the Stock Connect will not be abolished. 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 Securities**
When a security is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but restricted from being bought. This may affect the investment portfolio or strategies of the relevant Stock Connect Funds, for example, if the Investment Adviser wishes to purchase a stock which is recalled from the scope of eligible stocks.

## Specific risks associated with China Interbank Bond Market

**Please refer to the section entitled "China Interbank Bond Market" in the "Investment Objectives and Policies" section for an overview of the China Interbank Bond Market.**

**The CIBM Funds may gain direct exposure to China onshore bonds in the China Interbank Bond Market via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.**

In addition to risks regarding "Investments in the PRC" and other risks applicable to the CIBM Funds, the following additional risks apply:

**Volatility and Liquidity Risk**
Market volatility and potential lack of liquidity due to low trading volume of certain debt securities in the China Interbank Bond Market may result in prices of certain debt securities traded on such market fluctuating significantly. The relevant CIBM Fund investing in such market is therefore subject to liquidity and volatility risks. The bid and offer spreads of the prices of such securities may be large, and the relevant Fund may therefore incur significant trading and realisation costs and may even suffer losses when selling such investments. The debt securities traded in the China Interbank Bond Market may be difficult or impossible to sell, and this would affect the relevant CIBM Fund's ability to acquire or dispose of such securities at their intrinsic value.

**Risk of Default of Agents**
For investments via the Foreign Access Regime and/or Bond Connect, the relevant filings, registration with PBOC and account opening have to be carried out via an onshore settlement agent, offshore custody agent, registration agent or other third parties (as the case may be). As such, the relevant Fund is subject to the risks of default or errors on the part of such third parties.

**Regulatory Risks**
Investing in the China Interbank Bond Market via the Foreign Access Regime and/or Bond Connect is also subject to regulatory risks. The relevant rules and regulations on these regimes are subject to change which may have potential retrospective effect. In the event that the relevant Mainland Chinese authorities suspend account opening or trading on the China Interbank Bond Market, the relevant CIBM Fund's ability to invest in the China Interbank Bond Market will be adversely affected and limited. In such event, the relevant CIBM Fund's ability to achieve its investment objective will be negatively affected and, after exhausting other trading alternatives, the relevant CIBM Fund may suffer substantial losses as a result.

**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. The relevant CIBM Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where the relevant CIBM 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.

**Taxation Risks**
On 22 November 2018, the Ministry of Finance and State Administration of Taxation jointly issued Circular 108 providing foreign Institutional Investors temporary exemption from PRC withholding income tax and Value Added Tax with respect to interests 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. Any changes in PRC tax law, future clarifications thereof, and/or subsequent retroactive enforcement by the PRC tax authorities of any tax may result in a material loss to the relevant Funds.

The Management Company 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 their opinion such provision is warranted, or as further clarified by the PRC authorities in notifications.

For further details on PRC taxes and associated risks, please refer to the risk factor headed "Tax Considerations" under the "Risk Considerations" section.

## Excessive Trading Policy

The Funds do not knowingly allow investments that are associated with excessive trading practices, as such practices may adversely affect the interests of all Shareholders. Excessive trading includes individuals or groups of individuals whose securities transactions seem to follow a timing pattern or are characterised by excessively frequent or large trades.

Investors should, however, be aware that the Funds may be utilised by certain investors for asset allocation purposes or by structured product providers, which may require the periodic re-allocation of assets between Funds. This activity will not normally be classed as excessive trading unless the activity becomes, in the opinion of the Directors, too frequent or appears to follow a timing pattern.

As well as the general power of Directors to refuse subscriptions or conversions at their discretion, powers exist in other sections of this Prospectus to ensure that Shareholder interests are protected against excessive trading. These include:

- fair value pricing – Appendix B paragraph 16.;
- price swinging – Appendix B paragraph 17.3;
- in specie redemptions – Appendix B paragraphs 24.-25.; and
- conversion charges – Appendix B paragraphs 20.-22..

In addition, where excessive trading is suspected, the Funds may:

- combine Shares that are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in excessive trading practices. Accordingly, the Directors reserve the right to reject any application for switching and/or subscription of Shares from investors whom they consider to be excessive traders;
- adjust the Net Asset Value per Share to reflect more accurately the fair value of the Funds' investments at the point of valuation. This will only take place if the Directors believe that movements in the market price of underlying securities mean that in their opinion, the interests of all Shareholders will be met by a fair price valuation; and
- levy a redemption charge of up to a maximum of 2% on the redemption proceeds to Shareholders whom the Directors, in their reasonable opinion, suspect of excessive trading. This

charge will be made for the benefit of the Funds, and affected Shareholders will be notified in their contract notes if such a fee has been charged.

## Investment Objectives and Policies

**Investors must read the Specific Risk Considerations section above before investing in any of the following Funds. There can be no assurance that the objectives of each Fund will be achieved.**

**General**

Each Fund is managed separately and in accordance with the investment and borrowing restrictions specified in Appendix A.

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's investments will be in accordance with the permitted investments which are described in more detail in Appendix A.

References to "above average income" mean above the average return on an appropriate total return benchmark.

At the discretion of the Investment Adviser, the Funds will employ investment management techniques, including the use of financial derivative instruments and certain currency strategies not only for the purpose of hedging or risk management but also in order to increase total return. The Funds may use derivatives for investment purposes or efficient portfolio management in accordance with their respective investment objective and policies.

Derivative investments may include futures, options, forward contracts on financial instruments and options on such contracts, mortgage TBAs and swap contracts (including credit default swaps and total return swaps) by private agreement and other fixed interest, equity and credit derivatives. Appendix G specifies, for each Fund, the maximum and expected proportion of the Net Asset Value that can be subject to total return swaps. 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.

At the discretion of the Investment Adviser, the Funds will use securities financing transactions to help meet the investment objective of a Fund and/or as part of efficient portfolio management. For further detail please refer to Appendix G.

The Funds may also invest in units in CIS and in other transferable securities. For the purpose of these investment objectives and policies all references to "transferable securities" shall include "money market instruments and both fixed and floating rate instruments" but not, for the avoidance of doubt, vice versa.

Certain investment strategies and or certain Funds may become "capacity constrained". This means that the Directors may determine to restrict the purchase of Shares in a Fund affected by such a constraint when it is in the interests of such Fund and/or its Shareholders to do so, including without limitation (by way of example) when a Fund or the investment strategy of a Fund reaches a size that, in the opinion of the Management Company and/or Investment Adviser, could impact its ability to find suitable investments for the Fund or efficiently manage its existing investments. Refer to the section entitled "Dealing in Fund Shares" for further details.

Unless defined otherwise in the individual investment policies of the Funds, the following definitions, investment rules and restrictions apply to all Funds of the Company:

- Where an individual investment policy of a Fund refers to 70% of its total assets being invested in a specific type or range of investments, the remaining 30% of the total assets may be invested in financial instruments of companies or issuers of any size in any sector of the economy globally, unless the individual investment policy of such Fund contains further restrictions. However, in the case of a Bond Fund, no more than 10% of its total assets will be invested in equities.

**Investment in non-investment grade sovereign debt**

- As set out in their investment policies, some of the Funds may invest in a broad range of securities, including fixed income transferable securities, also known as debt securities, issued by governments and agencies worldwide. These Funds may seek to achieve capital appreciation and/or income from the portfolio of assets which the Funds hold. From time to time, in order to achieve these objectives, these Funds may invest more than 10% of their Net Asset Value in non-investment grade debt securities issued by governments and agencies of any single country.

  Non-investment grade, also known as "high-yield", debt may carry a greater risk of default than higher rated debt securities. In addition, non-investment grade securities tend to be more volatile than higher rated debt securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated debt securities. Further, an issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity.

  Where Funds invest more than 10% of their Net Asset Value in debt securities issued by governments or agencies of any single country, they may be more adversely affected by the performance of those securities and will be more susceptible to any single economic, market, political or regulatory occurrence affecting that particular country or region.

  For further information on the risks associated with Funds which may invest in emerging markets, sovereign debt, high yield securities, bonds and any other risks, investors should refer to the "General Risks" and "Specific Risks" sections of this Prospectus.

  It is anticipated that the following Funds, as set out in the table below, may invest more than 10% of their Net Asset Value in debt securities issued and/or guaranteed by governments in each of the relevant countries listed below which, at the date of this Prospectus, are rated non-investment grade. Investors should note that whilst this table sets out the expected maximum exposure to these countries, these figures are not indicative of the Funds' current holdings in these countries which may fluctuate.

  The Emerging Markets Corporate Bond Advanced Fund, ESG Emerging Markets Blended Bond Fund, ESG Emerging Markets Bond Fund and ESG Emerging Markets Local Currency Bond Fund each invest at least 70% of their

respective total assets in fixed income transferable securities within the relevant J.P. Morgan LLC ("J.P. Morgan") Index, as more fully described in the investment objective and policy for these Funds. In relation to each of these Funds:

Note that only the relevant excerpt of the relevant Funds' investment objective and policy are set out below, for a full statement of investment objectives and policies please refer to page 67 onwards.

**Emerging Markets Corporate Bond Advanced Fund**

The objective of the Fund is to gain exposure to debt securities issued by companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets, but also permits exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Argentina, Brazil, Hungary, Indonesia, Mexico, the Philippines, Russia, Republic of South Africa, Turkey and Ukraine only.**

The Fund is expected to invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the J.P. Morgan Screened Tilted and Reweighted Corporate Emerging Markets Bond Index Broad Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposure may change over time.

The above countries are for reference only and may change without prior notice to the Shareholders.

**Emerging Markets Bond Fund**

The objective of the Fund is to gain exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Argentina, Brazil, Ghana, Indonesia, Lebanon, Mexico, the Philippines, Russia, Sri Lanka, Turkey, Ukraine, Venezuela and Zambia only.**

The Fund may invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the JP Morgan Emerging Markets Bond Index Global Diversified Index (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The above countries are for reference only and may change without prior notice to the Shareholders.

**Emerging Markets Local Currency Bond Fund**

The objective of the Fund is to gain exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Brazil, Hungary, Indonesia, Russia, Republic of South Africa and Turkey only.**

The Fund is expected to invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the JP Morgan GBI-EM Global Diversified Index (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/ foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposure may change over time. The above countries are for reference only and may change without prior notice to the Shareholders.

**ESG Emerging Markets Blended Bond Fund**

The objective of the Fund is to gain exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Argentina, Brazil, Ghana, Hungary, Indonesia, Mexico, the Philippines, Sri Lanka, Russia, Republic of South Africa, Turkey, Ukraine and Zambia only.**

The Fund is expected to invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposure may change over time.

The above countries are for reference only and may change without prior notice to the Shareholders.

**ESG Emerging Markets Bond Fund**

The objective of the Fund is to gain exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Argentina, Brazil, Ghana, Indonesia, Mexico, the Philippines, Sri Lanka, Russia, Turkey, Ukraine and Zambia only.**

The Fund may invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the J.P. Morgan ESG Emerging Market Bond Index Global Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/ positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The above countries are for reference only and may change without prior notice to the Shareholders.

**ESG Emerging Markets Local Currency Bond Fund**

The objective of the Fund is to gain exposure to debt securities issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Brazil, Hungary, Indonesia, Russia, Republic of South Africa and Turkey only.**

The Fund is expected to invest more than 10% (but no more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the Fund's benchmark, the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index Global Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions); and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposure may change over time.

The above countries are for reference only and may change without prior notice to the Shareholders.

**MENA Bond Fund**

The objective of the Fund is to gain exposure to debt securitised issued by governments, public or local authorities of emerging market countries which, by their nature, are more likely to be rated non-investment grade than developed market countries.

**Applicable to: Oman, Bahrain, Egypt, Morocco, Iraq, Jordan, Lebanon, Algeria, and Tunisia only.**

The Fund may invest more than 10% (but no more than 20%) of its Net Asset Value in debt securitises (including Sukuk) issued by and/or guaranteed by governments in each of the above countries, which are, as at the date of this Prospectus, rated non-investment grade.

Such investments are based on the professional judgment of the Investment Adviser whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes.

Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The above countries are for reference only and may change without prior notice to the Shareholders.

It is not anticipated that any of the Funds, other than those set out in the table above, will invest more than 10% of their Net Asset Value in debt securities issued and/or guaranteed by governments of any single country which are rated non-investment grade at the date of this Prospectus.

In the event that the debt securities issued and/or guaranteed by governments of a country which any of the Funds invest in are downgraded to non-investment grade following the date of this Prospectus, the relevant Fund may, subject to its investment objective and policy, invest more than 10% of its Net Asset Value in those securities and the table set out above will be updated accordingly in the next update to the Prospectus.

- Where an investment policy, other than that of the Reserve Funds, requires a particular percentage to be invested in a specific type or range of investments, such requirement will not apply under extraordinary market conditions and is subject to liquidity and/or market risk hedging considerations arising from the issuance, switching or redemption of Shares. In particular, in aiming to achieve a Fund's investment objective, investment may be made into other transferable securities than those in which the Fund is normally invested in order to mitigate the Fund's exposure to market risk.

- Funds may hold cash and near-cash instruments on an incidental basis unless otherwise stated in the investment objective of the Fund.

- Funds may use derivative instruments (including those on foreign exchange) as provided for in Appendix A. The Reserve Funds may only use derivatives for hedging purposes and with determined underlyings as more specifically described in the relevant investment policies.

- Where a Fund invests in derivatives, cover for such derivative positions are held in cash or other liquid assets.

- Unless specifically stated to the contrary, the currency exposure of the Equity Funds will normally be left unhedged. Elsewhere if a Fund's investment objective states that "currency exposure is flexibly managed", this means that the Investment Adviser may be expected to regularly employ currency management and hedging techniques in the Fund. Techniques used may include hedging the currency exposure on a Fund's portfolio or/and using more active currency management techniques such as currency overlays, but does not mean that a Fund's portfolio will always be hedged in whole or in part.

- Where the term "Asia Pacific" is used, it refers to the region comprising the countries in the Asian continent and surrounding Pacific islands including Australia and New Zealand.

- Where the term "Asian Tiger countries" is used, it refers to any of the following countries, regions or territories: Japan, South Korea, the PRC, Taiwan, Hong Kong, the Philippines, Thailand, Malaysia, Singapore, Vietnam, Indonesia, Macau, India, Sri Lanka, Mongolia and Pakistan.

- Where the term “Europe” is used, it refers to all European countries including the UK, Eastern Europe and former Soviet Union countries.

- The “weighted average maturity”, or WAM, of a fund, is a measure of the average length of time to legal maturity (the date at which fixed income securities become due for repayment) or, if shorter, to the next interest rate reset to a money market rate of all the underlying assets of a fund reflecting the relative holdings in each asset. In practice, this measure is an indication of current investment strategy and is not an indication of liquidity.

- The “weighted average life”, or WAL, of a fund, is a measure of the average length of time to legal maturity of all the underlying assets in the fund reflecting the relative holdings of each asset. In practice, this measure is an indication of current investment strategy and is not an indication of liquidity.

- A reference to the “EMU” means the Economic and Monetary Union of the European Union.

- A reference to the equity securities of companies domiciled in those EU member states participating in EMU may, at the Investment Adviser’s discretion, be taken to include the equity securities of companies domiciled in countries which formerly participated in EMU.

- Where the term “Latin America” is used, it refers to Mexico, Central America, South America and the islands of the Caribbean, including Puerto Rico.

- Where the term “Mediterranean region” is used, it refers to countries bordering the Mediterranean Sea.

- Funds other than the Reserve Funds investing globally or in Europe may contain investments in Russia, subject always to the 10% limit referred to in the “Restrictions on Foreign Investment” section above except for investment in securities listed on the MICEX-RTS, which has been recognised as a regulated market.

- Where the term "Renminbi" is used, it refers to investments via the offshore Renminbi market (CNH), except where investments are made via the QFI regime (i.e. the onshore Renminbi market (CNY)).

- Where a Fund invests in initial public offerings or new debt issues, the prices of securities involved in initial public offerings or new debt issues are often subject to greater and more unpredictable price changes than more established securities.

- Funds which include “Equity Income”, “Enhanced Equity Yield”, “High Income” or “Multi-Asset Income” in their title or investment objective and policy seek either to out-perform in terms of income (from equity dividends, and/or fixed income securities and/or other asset classes as appropriate) their eligible investment universe or to generate a high level of income. The opportunity for capital appreciation within such Funds may be lower than other Funds of the Company – see “Risks to Capital Growth”.

- Where the term “real return” is used, it means the nominal return less the level of inflation, which is typically measured by the change in an official measure of the level of prices in the relevant economy.

- The term “investment grade” defines debt securities which are rated, at the time of purchase, BBB- (Standard & Poor’s or equivalent rating) or better by at least one recognised rating agency, or, in the opinion of the Management Company, and, where applicable, based on the Internal Credit Quality Assessment Procedure, are of comparable quality.

- The terms “non-investment grade” or “high yield” define debt securities which are unrated or rated, at the time of purchase, BB+ (Standard & Poor’s or equivalent rating) or lower by at least one recognised rating agency or, in the opinion of the Management Company, and, where applicable, based on the Internal Credit Quality Assessment Procedure, are of comparable quality.

- Fixed income transferable securities invested in by the Funds may include ABS and MBS. The Funds which may currently invest in such assets contain reference to this fact in their investment policies. The Reserve Funds may only invest in securitisations and asset-backed commercial paper fulfilling the requirements of the MMF Regulations.

- Where reference is made to “developed” markets or countries these are typically markets or countries which, on the basis of criteria such as economic wealth, development, liquidity and market accessibility are considered as more advanced or mature markets or countries. The markets and countries which may be classified as developed for a Fund are subject to change and may include, though are not limited to, countries and regions such as Australia, Canada, Japan, New Zealand, United States of America and Western Europe.

- Where reference is made to “developing” or “emerging” markets or countries, these are typically markets of poorer or less developed countries which exhibit lower levels of economic and/or capital market development. The markets and countries which may be classified as developing or emerging for a Fund are subject to change and may include, though are not limited to, any country or region outside of Australia, Canada, Japan, New Zealand, United States of America and Western Europe.

- United Nations Convention on Cluster Munitions - The UN Convention on Cluster Munitions became binding international law on 1 August 2010 and prohibits the use, production, acquisition or transfer of cluster munitions. The Investment Advisers on behalf of the Company accordingly arrange for the screening of companies globally for their corporate involvement in anti-personnel mines, cluster munitions and depleted uranium ammunition and armour. Where such corporate involvement has been verified, the Directors’ policy is not to permit investment in securities issued by such companies by the Company and its Funds.

- Where the term “transferable securities denominated in Euro” is used it refers to transferable securities which were denominated in Euro at the time of their issue and may also, at the Investment Adviser’s discretion, be taken to include transferable securities denominated in the currencies of any countries that have previously formed part of the Eurozone.

**Environmental Social and Governance Integration**
The Investment Adviser considers many investment risks in its processes. In order to seek the best risk-adjusted returns for clients, the Investment Adviser manages material risks and opportunities that could impact portfolios, including financially material Environmental, Social and/or Governance (ESG) data or information, where available. E, S and/or G data or information is defined as any data or information around E, S and/or G issues that could impact a company's ability to perform over time. Companies may self-identify ESG issues as financially material to their business models through external or financial reporting. A portfolio manager may identify ESG issues as financially material to the investment process because they impact company risk, opportunity, performance, volatility, etc. Examples of environmental issues include, but are not limited to, water use, land use, waste management and climate risk. Examples of social issues include, but are not limited to, human capital management, impacts on the communities in which a company operates, customer loyalty and relationships with regulators. Governance issues are anything related to the core means by which boards can oversee the creation of durable, long-term financial value.

BlackRock defines ESG integration to be the practice of incorporating financially material E, S and/or G data or information into firmwide processes with the objective of enhancing risk adjusted returns of clients' portfolios. See the BlackRock ESG Integration Statement for further information.

The Investment Adviser considers E,S and/or G data and information, within the total set of information in its research process. The extent to which E, S, and/or G data and information are considered during investment decision making will be determined by the materiality of such data or information and the Fund. The Investment Adviser's evaluation of ESG data may be subjective and could change over time in light of emerging sustainability risks or changing market conditions.

As with other investment risks and opportunities, the relevance of E, S and/or G considerations may vary by issuer, sector, product, mandate, and time horizon. Depending on the investment approach, this financially material E, S and/or G data or information may help inform due diligence, portfolio or index construction, and/or portfolio monitoring processes, as well as risk management. This approach is consistent with the Investment Adviser's regulatory and fiduciary duty to manage the Funds in accordance with their investment objectives and policies and in the best interests of the Funds' Shareholders.

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 Adviser'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. Similarly, ESG integration does not determine the extent to which a Fund may be impacted by sustainability risks. Please refer to "Sustainability Risks" in the risk factors section of this Prospectus.

**Investment Stewardship**
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 Decarbonization Stewardship Guidelines

Certain Funds that apply, or which track indexes that apply, decarbonization or climate-related criteria have adopted additional climate and decarbonization stewardship guidelines (Guidelines). Guidelines will apply to the following Funds:

Brown to Green Materials Fund, Circular Economy Fund, Climate Transition Multi-Asset Fund, Future of Transport Fund, Sustainable Energy Fund, Emerging Markets Sustainable Equity Fund, European Multi-Asset Income Fund, ESG Multi-Asset Fund, European Sustainable Equity Fund, Sustainable Global Allocation Fund, Systematic Global Income & Growth Fund, Systematic Global SmallCap Fund.

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 decarbonization 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 decarbonization and the low-carbon transition are strategic priorities.

In implementing Guidelines, BlackRock will generally support non-executive directors standing for election where, in the 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.

**SFDR**
SFDR categorises fund strategies into three categories based on their sustainable investment credentials, as follows:

An Article 6 fund is defined as a fund which "…*deems sustainability risks not to be relevant…*".

An Article 8 fund is defined as a fund which *"…promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices....*".

An Article 9 fund is defined as a fund which "…*has sustainable investment as its objective…*".

The following Funds have been categorised under the SFDR as "Article 8" or "Article 9" funds:

Article 8 Funds: AI Innovation Fund, Asia Pacific Bond Fund, Brown To Green Materials Fund, China Fund, China Onshore Bond Fund, China Multi-Asset Fund, Climate Transition Multi-Asset Fund, Continental European Flexible Fund, Diversified Tactical Fund, Dynamic Infrastructure Opportunities Fund, Emerging Markets Corporate Bond Advanced Fund, Emerging Markets Sustainable Equity Fund, ESG Emerging Markets Blended Bond Fund, ESG Emerging Markets Bond Fund, ESG Emerging Markets Local Currency Bond Fund, ESG Multi-Asset Fund, Euro Bond Fund, Euro Corporate Bond Fund, Euro Flexible Income Bond Fund, Euro High Yield Fixed Maturity Bond Fund 2027, Euro High Yield Fixed Maturity Bond Fund 2028, Euro High Income Fixed Maturity Bond Fund 2030, Euro High Income Fixed Maturity Bond Fund 2031, Euro Income Fixed Maturity Bond Fund 2029, Euro Income Fixed Maturity Bond Fund 2030, Euro Income Fixed Maturity Bond Fund 2031 II, Euro Income Fixed Maturity Bond Fund 2031, Euro Investment Grade Fixed Maturity Bond Fund 2027 (1), Euro Investment Grade Fixed Maturity Bond Fund 2028, Euro Short Duration Bond Fund, Euro-Markets Fund, European Equity Income Fund, European Equity Transition Fund, European Fund, European High Yield Bond Fund, European Multi-Asset Income Fund, European Blend Equity Fund, European Sustainable Equity Fund, European Value Fund, FinTech Fund, Global Equity Income Fund, Global Government Bond Fund, Global High Yield Bond Fund, Global Listed Infrastructure Fund, Global Long-Horizon Equity Fund, Global Securitised Fund, Global

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

Unconstrained Equity Fund, Japan Flexible Equity Fund, Japan Small & MidCap Opportunities Fund, Multi-Theme Equity Fund, Next Generation Technology Fund, Sustainable Global Allocation Fund, Swiss Small & MidCap Opportunities Fund, Systematic China A-Share Opportunities Fund, Systematic China Environmental Tech Fund, Systematic Islamic GCC Equity Fund, Systematic Islamic Saudi Arabia Equity Fund, Systematic Multi Allocation Credit Fund, Systematic Global Income & Growth Fund, United Kingdom Fund, US Dollar High Yield Bond Fund, Systematic Global SmallCap Fund, US Growth Fund, US Flexible Equity Fund, World Bond Fund, World Financials Fund, World Healthscience Fund, World Real Estate Securities Fund and World Technology Fund.

Article 9 Funds: Circular Economy Fund, Emerging Markets Impact Bond Fund, Future Of Transport Fund, Impact Bond Fund, and Sustainable Energy Fund.

For the avoidance of doubt, all Funds that have not been categorised under the SFDR as Article 8 or Article 9 in accordance with the above paragraphs are considered to fall under the Article 6 under the SFDR.

For all Article 8 Funds and Article 9 Funds BlackRock evaluates underlying investments in companies according to the good governance criteria outlined in the SFDR where relevant data is available and as appropriate given the underlying investment type. These criteria relate to sound management structures, employee relations, remuneration of staff and tax compliance. BlackRock may consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers depending on the particular ESG strategy applicable to the Fund.

BlackRock will assess the good governance assessment framework of any delegated managers, including third party managers, where relevant information is available.

BlackRock intends to comply with transparency requirements relating to adverse sustainability principal impacts of the Fund within the timeframe set out in the SFDR.

For the Article 9 Funds, a majority of the assets will be invested in sustainable investments.

In addition to exposure to Sustainable Investments, all holdings within these Article 9 Funds will be assessed as doing no significant harm.

**Taxonomy Regulation**
*Article 6 Funds*

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

*Article 8 Funds and Article 9 Funds*

Article 8 Funds and Article 9 Funds are required to disclose the proportion of investment in environmentally sustainable economic activities under Article 3 of the Taxonomy Regulation ("Environmentally Sustainable Economic Activities") selected for such Article 8 Funds and Article 9 Funds, including details of the proportions of enabling activities and transitional activities within the meaning of the Taxonomy Regulation.

The Technical Screening Criteria ("TSC") were finalised on 9 December 2021 (i.e. in respect of the first two Taxonomy environmental objectives of climate change mitigation and climate change adaptation) and the remaining four Taxonomy environmental objectives are not yet in force. These detailed criteria will require the availability of multiple, specific data points regarding each investment. As at the date hereof, there is insufficient reliable, timely and verifiable data available for BlackRock to be able to assess investments using the TSC.

In addition, the Regulatory Technical Standards (RTS) under the Sustainable Finance Disclosure Regulation (SFDR) which define the methodology for the calculation of the share of environmentally sustainable investments and the templates for these disclosures are not yet in force. As at the date hereof, BlackRock is not able to provide standardised and comparable disclosures on the Taxonomy alignments of the Funds.

BlackRock considers itself unable to collect reliable data on the environmental objectives set forth in Article 9 of the Taxonomy Regulation and on how and to what extent the investments underlying such Article 8 Funds and Article 9 Funds relate to Environmentally Sustainable Economic Activities. Accordingly, while these Articles 8 Funds and Article 9 Funds may have investments in the activities referred to above, they do not currently commit to investing more than 0% of their assets in investments aligned with the EU criteria for Environmentally Sustainable Economic Activities.

BlackRock is keeping this situation under active review and where, in its discretion, it has assessed that it has sufficient reliable, timely and verifiable data on the Funds' investments, BlackRock will update the descriptions referred to above, in which case this Prospectus or the relevant supplement will be updated. For further information please refer to https://www.blackrock.com/corporate/literature/prospectus/eu-taxonomy.pdf.

**SFDR Pre-Contractual Disclosures**
The pre-contractual disclosure "annexes" or "PCDs" for the Funds classified as Article 8 or Article 9 Funds pursuant to the SFDR are available under "Appendix H" SFDR-PCDs" of the prospectus.

**Consideration of Principal Adverse Impacts ("PAIs")**
The Investment Adviser has access to a range of data sources, including PAI data, when making decisions on selection of investments. However, whilst BlackRock considers ESG risks for all portfolios and these risks may coincide with environmental or social themes associated with the PAIs, unless stated otherwise in the SFDR PCDs, the Funds do not commit to considering PAIs in driving the selection of their investments.

**Labels**
With respect to the Funds listed below, it is BlackRock's intention to align with the following ESG labels in recognition of their support of promoting responsible investments in addition to complying with the SFDR and the Taxonomy Regulation. For these Funds that have applied and obtained the below ESG labels, alignment with the methodologies and ESG requirements established by such ESG labels may restrict investment selections of the Investment Advisers in addition to the policies disclosed with respect to each Fund identified as having obtained or applied for each ESG label.

***Febelfin Label***

The Belgian Financial Sector Federation ("Febelfin") supports the promotion of socially responsible financial products through its initiative to create a socially responsible investment ("SRI") label. Initially issued in February 2019, the Quality Standard, as revised from time to time (the "Febelfin Guidelines"), has been developed by the Central Labelling Agency (the "CLA"). The CLA is a not-for-profit association incorporated under Belgian law and its board is composed equally of independent directors (academia, civil society) and directors from the financial sector.

To be awarded the label, Funds need to implement at least two mandatory ESG strategies and the harm avoidance principle as further defined by the Febelfin Guidelines. The two mandatory ESG strategies are the integration of all dimensions of sustainability and negative/ exclusionary ESG screening. The harm avoidance principle is achieved by the exclusion from the eligible universe of companies violating the UN Global Compact. In addition to the two ESG strategies above, one or more of the following additional strategies may be implemented: positive/ best in class screening, norm-based screening, sustainability-themed investing or impact/community investing. All assets in the portfolio are assessed according to these ESG principles.

Exclusions required by the label apply at a company level, based on their engagement in a sector as measured by the proportion of the company's revenues derived from certain activities. A socially responsible financial product shall not finance weapons, tobacco production and trading, thermal coal extraction, unconventional oil and gas. Transitional energy sources however, like conventional oil and gas and nuclear energy, can be allowed on a limited basis but subject to corporate engagement or Shareholder action.

The current *Towards Sustainability Quality Standard 2023* comprises the revised Febelfin Guidelines published on 30 June 2023 which implement more stringent requirements since January 2024. The Revised Quality Standards have aligned the Febelfin Guidelines with EU legislation and upcoming initiatives on sustainability, introduced criteria for ESG assessment of financial institutions and energy and electricity utilities sector and increased transparency requirements. Among the new requirements, Funds applying for the label now need to disclose the calculated average selectivity for the best-in-class approach. Revised thresholds have also been introduced, with phasing out margins decreasing year on year for companies that are not yet fully compliant with required business criteria but are amongst the best of their peer group in transitioning their business model. Additional rules deal with certain assets such as derivatives, fixed income instruments and green bonds. Specifically, sovereign bonds issued by states that have not ratified or implemented certain international conventions are excluded. For this asset class, exceptions apply to public debt issued by certain issuers and for certain products (such as funds with an emerging market focus) with limitations applying by jurisdictions. Febelfin Guidelines allow exposure to core reserve (non-EURO) currency issuers that do not comply with its criteria only up to a combined limit of 30% (e.g. total exposure to US and Japanese sovereign bonds).

For the Funds that have obtained or applied for this label, the label requirements and investment constraints will inform the investment policies and strategies of such Funds.

An independent third-party verifier is appointed by the CLA to evaluate a Fund's initial compliance with the Febelfin Guidelines and also subsequent annual verification. The Investment Adviser may withdraw from the label or no longer qualify for it if a Fund does not meet compliance with its evolving criteria.

However, wherever consistent with a Fund investment policy, Manager will endeavour to take necessary and timely remedial measures (such as divestment) if investments deviate from the Febelfin Guidelines. Please refer to the label website for the most up to date list of Funds holding the label.

For a more complete and current account of the Febelfin label policies as may further evolve over time, Shareholders should consult the Febelfin label website at www.towardssustainability.be/en/quality-standard.

To avoid any confusion, where certain Funds commit to obtaining the Febelfin label but are also bound by commitments under guidelines or other texts published by ESMA, the most stringent set of rules will be applied.

As at the date of this Prospectus, the following Funds have been awarded the Febelfin label. Please refer to the label website for an up-to-date list of Funds holding the Febelfin label;

Circular Economy Fund, ESG Multi-Asset Fund, Future Of Transport Fund, Sustainable Energy Fund, and Sustainable Global Allocation Fund.

***The French SRI label***

The French SRI label is sponsored by the French Ministry for the Economy and Finance. The Funds that apply for the SRI label are required to demonstrate the soundness of their ESG methodology and the environmental, social, governance or human rights benefit of their investment policies. The SRI label guidelines (the "SRI Guidelines") cover fund governance, transparency and rules on portfolio composition. Funds that are awarded the SRI label commit to enhanced transparency on their portfolio composition and management policy with distributors and investors. The French SRI label imposes certain requirements and investment constraints on funds. 90% of the issuers selected for a Fund's portfolio need to have been assessed for their ESG characteristics by use of specified indicators outlined in the SRI Guidelines. To evidence the ESG significance of the portfolio selection, the Investment Adviser must provide information on each of the ESG areas. The Investment Adviser must present measurable improvements of the Fund's portfolio in relation to ESG characteristics for all three E, S and G criteria, relative to the initial universe of the Fund. Improvement compared to the initial universe can be achieved by removing the worst 25% securities. Alternatively, the Investment Adviser may present an average rating that is significantly higher than the rating of the initial universe, which can be no lower than the initial universe after eliminating the worst 25% securities. Specific ratios apply for certain assets (such as government bonds, etc.). The ESG ratings methodology utilised by the products evaluate each corporate issuer on a selection of 2-7 Environmental and Social Key Issues. All corporate issuers are evaluated on the Governance pillar. The ratings applied to each pillar (E, S & G) will vary by sub-industry classified by the Global Industry Classification Standards (GICS) however the Governance pillar is calculated independently and floored at 33.33%.

As outlined in Appendix VII of the SRI Guidelines, the Funds will apply the environmental, social and governance exclusions to

corporate issuers and the sovereign exclusions to all sovereign issuers. Further details on the exclusions criteria and scope of application can be found on the SRI Label website at: www.lelabelisr.fr/wp-content/uploads/EN_Referentiel-Label-ISR-mars24.pdf

To avoid any confusion, where certain Funds commit to obtaining the SRI label but are also bound by commitments under guidelines or other texts published by ESMA, the most stringent set of rules will be applied.

For the Funds that have obtained or applied for the SRI label, the SRI Guidelines and their investment constraints will inform the investment policies and strategies of such Funds.

Independent auditors verify initially and periodically whether a Fund meets the label requirements. Where a Fund ceases to meet certain criteria, a transition period may be permitted for the fund to change its portfolio composition. The Investment Adviser may withdraw from the label or no longer qualify for it if a Fund does not meet compliance with the evolving criteria. However, wherever consistent with a Fund's investment policy, the Investment Adviser will endeavour to take necessary and timely remedial measures (such as divestment) if investments deviate from the SRI Guidelines.

For a more complete and current account of the SRI Guidelines, as may further evolve over time, Shareholder should consult the SRI label website at www.lelabelisr.fr/label-isr/criteres-attribution/. An English version of the SRI Guidelines is also available.

As at the date of this Prospectus, the following Funds have been awarded the SRI label. Please refer to the label website for an up-to-date list of Funds holding the label:

ESG Multi-Asset Fund and Sustainable Global Allocation Fund.

**BlackRock EMEA Baseline Screens Policy**
Where the Baseline Screens Policy applies to a Fund, the Investment Adviser will seek to limit and/or exclude direct investment (as applicable) in corporate issuers which, in the opinion of the Investment Adviser, have exposure to, or ties with, certain sectors (in some cases subject to specific revenue thresholds) including but not limited to:

(i) the production of controversial weapons;

(ii) the distribution or production of firearms or small arms ammunition intended for retail civilians;

(iii) the extraction of certain types of fossil fuel and/or the generation of power from them;

(iv) the production of tobacco products or certain activities in relation to tobacco-related products; and

(v) Companies involved in severe controversies or who are deemed to have breached accepted global norms, relating to their business practices and conduct.

To undertake its analysis of ESG criteria, the Investment Adviser may use data generated internally by the Investment Adviser and/or its affiliates or provided by one or more third party ESG research providers.

Should existing holdings, compliant at the time of investment subsequently become ineligible, they will be divested within a reasonable period of time.

An ESG Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near- cash instruments, shares or units of CIS and fixed income transferable securities issued by governments and agencies worldwide) to issuers that do not meet the ESG criteria described above.

A full list of the limits and/or exclusions being applied by Investment Advisers at any time (including any specific threshold criteria) is available at https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

It is the Investment Advisers' intention that the BlackRock EMEA Baseline Screens policy will evolve over time as improved data and more research on this subject becomes available. The full list may be amended from time to time at the Investment Advisers' discretion and (unless it alters the description in this section) may be implemented without notification to Shareholders.

**EU Paris-Aligned Benchmark Exclusions**
Funds using environmental-, impact- or sustainability-related terms in their name (including "ESG"), other than as described in 'EU Climate Transition Benchmark Exclusions' below, also apply the EU Paris-aligned Benchmark Exclusions.

These 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.

Funds using environmental-, impact- or sustainability-related terms in their name may invest in 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. Such investments in GSS bonds 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**
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, also apply the EU Climate Transition Benchmark Exclusions.

These 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.

**Autorité des marchés financiers (AMF)**
The following Funds have been classified as compliant with the rules of the AMF regarding sustainable investing:

Brown To Green Materials Fund, Circular Economy Fund, Emerging Markets Impact Bond Fund, ESG Multi-Asset Fund, European Sustainable Equity Fund, Future Of Transport Fund, Impact Bond Fund, Sustainable Energy Fund and Sustainable Global Allocation Fund.

**QFI Investments**
Under current PRC law, subject to minor exceptions, investors based in certain jurisdictions outside the PRC may apply to the CSRC for status as a QFI. Once an entity is licensed as a QFI, it may register with the SAFE, and invest directly in eligible PRC securities. BAMNA has been licensed as a QFI and the QFI Access Funds may obtain access to eligible securities within the PRC directly and invest directly in QFI eligible securities investment via the QFI status of BAMNA. There may be additional BlackRock entities licensed as QFI's from time to time which may also enable the QFI Access Funds to invest directly in QFI eligible securities investment.

In respect of the QFI Access Funds which are authorised by the SFC, the Management Company will obtain an opinion from PRC legal counsel ("PRC Legal Opinion") before the QFI Access Funds invest through the QFI regime. The Management Company will ensure that the PRC Legal Opinion will, in respect of each of the QFI Access Funds, contain the following as a matter of PRC laws:

(a) securities account(s) opened with the relevant depositories and maintained by the QFI Custodian and the Renminbi special deposit account(s) with the QFI Custodian (respectively, the "QFI securities account(s)" and the "Renminbi cash account(s)") have been opened in the joint names of the QFI and the relevant QFI Access Fund for the sole benefit and use of the QFI Access Fund in accordance all applicable laws and regulations of the PRC and with approval from all competent authorities in the PRC;

(b) the assets held/credited in the QFI securities account(s) of the relevant QFI Access Fund (i) belong solely to the QFI Access Fund, and (ii) are segregated and independent from the proprietary assets of the QFI (as the QFI Licence Holder), the Depositary or the QFI Custodian and any PRC Broker(s), and from the assets of other clients of the QFI (as QFI Licence Holder), the Depositary, the QFI Custodian and any PRC Broker(s);

(c) the assets held/credited in the Renminbi cash account(s) (i) become an unsecured debt owing from the QFI Custodian to the relevant QFI Access Fund, and (ii) are segregated and independent from the proprietary assets of the QFI (as QFI Licence Holder) and any PRC Broker(s), and from the assets of other clients of the QFI (as QFI Licence Holder) and any PRC Broker(s);

(d) the Company, for and on behalf of the relevant QFI Access Fund, is the only entity which has a valid claim of ownership over the assets in the QFI securities account(s) and the debt in the amount deposited in the Renminbi cash account(s) of the QFI Access Fund;

(e) if the QFI or any PRC Broker(s) is liquidated, the assets contained in the QFI securities account(s) and Renminbi cash account(s) of the relevant QFI Access Fund will not form part of the liquidation assets of the QFI or such PRC Broker(s) in liquidation in the PRC; and

(f) if the QFI Custodian is liquidated, (i) the assets contained in the QFI securities account(s) of the relevant QFI Access Fund will not form part of the liquidation assets of the QFI Custodian in liquidation in the PRC, and (ii) the assets contained in the Renminbi cash account(s) of the relevant QFI Access Fund will form part of the liquidation assets of the QFI Custodian in liquidation in the PRC and the QFI Access Fund will become an unsecured creditor for the amount deposited in the Renminbi cash account(s).

**QFI Custodian**
The Depositary has appointed the QFI Custodian to act as its sub-custodian for the purpose of safekeeping the investments of its customers in certain agreed markets, including the PRC (the "Global Custody Network") through a sub-custody agreement.

According to the current QFI regulations, a QFI is allowed to appoint multiple QFI Custodians.

Notwithstanding that the Depositary has, pursuant to its obligations as a UCITS custodian, established the Global Custody Network for the purpose of safe-keeping the assets of its clients, including the Company, held in the PRC (as described above), QFI rules separately require that every QFI must appoint local QFI custodian(s) for the purposes of safe-keeping the investments and holding the cash in connection with the QFI regime and for the purpose of coordinating relevant foreign exchange requirements. Therefore, in order to satisfy the requirements of the QFI rules, the relevant QFI will enter into a separate agreement (the "QFI Custodian Agreement") with the QFI Custodian appointing it to act as the local custodian of the relevant QFI Access Fund's assets acquired through the QFI regime.

In accordance with the UCITS requirements, the Depositary has additionally confirmed that it shall provide for the safekeeping of the Fund's assets in PRC through its Global Custody Network, and that such safekeeping is in accordance with the conditions set down by the CSSF which provides that there must be legal separation of non-cash assets held under custody and that the Custodian through its delegates must maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of assets under custody, the ownership of each asset and where documents of title to each asset are located.

**Stock Connects**
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.

The Shanghai-Hong Kong Stock Connect comprises a Northbound Shanghai Trading Link and a Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect. Under the Northbound Shanghai Trading Link, Hong Kong and overseas investors (including the Stock Connect Funds), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SSE by routing orders to SSE. Under the Southbound Hong Kong Trading Link under Shanghai-Hong Kong Stock Connect, investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shanghai-Hong Kong Stock Connect, the Stock Connect Funds, through their Hong Kong brokers may trade certain eligible securities listed on the SSE ("SSE Securities"). These include all the constituent stocks from time to time of the SSE 180 Index and SSE 380 Index, and all the SSE-listed China A-Shares that are not included as constituent stocks of the relevant indices but which have corresponding H-Shares listed on SEHK, except the following:

- SSE-listed shares which are not traded in RMB; and
- SSE-listed shares which are included in the "risk alert board".

In addition, Hong Kong and overseas investors are able to trade eligible SSE-listed ETFs that satisfy the relevant criteria at a regular review and are accepted as eligible ETFs for Northbound trading under the Shanghai-Hong Kong Stock Connect. Regular reviews will be performed to determine the eligible ETFs for Northbound trading every six months.

It is expected that the list of eligible securities may be changed subject to review and approval by the relevant PRC regulators from time to time.

The trading is subject to rules and regulations issued from time to time. Trading under the Shanghai-Hong Kong Stock Connect is subject to a daily quota ("Daily Quota"). Northbound Shanghai Trading Link and Southbound Hong Kong Trading Link under the Shanghai-Hong Kong Stock Connect are subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Stock Connect each day.

The Shenzhen-Hong Kong Stock Connect comprises a Northbound Shenzhen Trading Link and a Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect. Under the Northbound Shenzhen Trading Link, Hong Kong and overseas investors (including the Stock Connect Funds, if applicable), through their Hong Kong brokers and a securities trading service company established by SEHK, may be able to trade eligible securities listed on the SZSE by routing orders to SZSE. Under the Southbound Hong Kong Trading Link under Shenzhen-Hong Kong Stock Connect investors in the PRC will be able to trade certain securities listed on the SEHK.

Under the Shenzhen-Hong Kong Stock Connect, the Stock Connect Funds through their Hong Kong brokers may trade certain eligible securities listed on the SZSE ("SZSE Securities"). These include any constituent stock of the SZSE Component Index and SZSE Small/Mid Cap Innovation Index which has a market capitalisation of RMB6 billion or above and all SZSE-listed shares of companies which have issued both China A-Shares and H Shares. At the initial stage of the Northbound Shenzhen Trading Link, investors eligible to trade securities that are listed on the ChiNext Board of SZSE under the Northbound Shenzhen Trading Link will be limited to institutional professional investors as defined in the relevant Hong Kong rules and regulations.

In addition, Hong Kong and overseas investors are able to trade eligible SZSE-listed ETFs that satisfy the relevant criteria at a regular review and are accepted as eligible ETFs for Northbound trading under the Shenzhen-Hong Kong Stock Connect. Regular reviews will be performed to determine the eligible ETFs for Northbound trading every six months.

It is expected that the list of eligible securities may be changed subject to review and approval by the relevant PRC regulators from time to time.

The trading is subject to rules and regulations issued from time to time. Trading under the Shenzhen-Hong Kong Stock Connect is subject to a Daily Quota. Northbound Shenzhen Trading Link and Southbound Hong Kong Trading Link under the Shenzhen-Hong Kong Stock Connect is subject to a separate set of Daily Quota. The Daily Quota limits the maximum net buy value of cross-boundary trades under the Shenzhen-Hong Kong Stock Connect each day.

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 SSE Securities and SZSE Securities traded through Stock Connect are issued in scripless form, and investors will not hold any physical shares.

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

In accordance with the UCITS requirements, the Depositary shall provide for the safekeeping of the Fund's assets in the PRC through its Global Custody Network. Such safekeeping is in accordance with the conditions set down by the CSSF which provides that there must be legal separation of non-cash assets held under custody and that the Depositary through its delegates must maintain appropriate internal control systems to ensure that records clearly identify the nature and amount of assets under custody, the ownership of each asset and where documents of title to each asset are located.

Under the Stock Connects, 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: https://www.hkex.com.hk/mutual-market/stock-connect?sc_lang=en.

**China Interbank Bond Market**
The CIBM Funds can 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 China Interbank Bond Market ("**Foreign Access Regime**") subject to other rules and regulations as promulgated by the Mainland Chinese authorities.

Under the prevailing regulations in Mainland China, foreign Institutional Investors who wish to invest directly in 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 China Interbank Bond Market via Northbound Trading Link under Bond Connect*

Bond Connect is an initiative launched in July 2017 for mutual bond market access between Hong Kong and Mainland China established by China Foreign Exchange Trade System & National Interbank Funding Centre ("CFETS"), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and HKEX and Central Moneymarkets Unit.

Under the prevailing regulations in Mainland China, 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 Mainland China and is connected to CFETS for eligible foreign investor 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 Mainland China 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 Mainland China. 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 Money-markets 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 Mainland China. 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 Mainland China, 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 Securities 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.

**Important Note: please note that the liquidity of the China Interbank Bond Market is particularly unpredictable. Investors should read the "Liquidity Risk" and "Specific risks associated with China Interbank Bond Market" sections of the "Risk Considerations" section of this Prospectus prior to investing in the CIBM Funds.**

**German Tax Rules – Equity Funds**
It is the intention of the Management 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 below. Accordingly, as of the date of this Prospectus and notwithstanding any other provision in this Prospectus (including Appendix A):

(a) each of the following Funds ("equity funds") invests more than 50% of its Gross Assets on a continuous basis directly into Equities as defined below in accordance with Sec. 2 para. 8 of the German Investment Tax Act as applicable from 1 January 2018:

AI Innovation Fund, Asian Dragon Fund, Brown To Green Materials Fund, China Fund, Circular Economy Fund, Continental European Flexible Fund, Diversified Tactical Fund, Dynamic Infrastructure Opportunities Fund, Emerging Markets Equity Income Fund, Emerging Markets Ex-China Fund, Emerging Markets Sustainable Equity Fund, Euro-Markets Fund, European Equity Income Fund, European Equity Transition Fund, European Fund, European Blend Equity Fund, European Sustainable Equity Fund, European Value Fund, FinTech Fund, Future Of Transport Fund, Global Dynamic Equity Fund, Global Equity Income Fund, Global Listed Infrastructure Fund, Global Long-Horizon Equity Fund, Global Unconstrained Equity Fund, India Fund, Japan Small & MidCap Opportunities Fund, Japan Flexible Equity Fund, Natural Resources Fund, Next Generation Technology Fund, Sustainable Energy Fund, Swiss Small & MidCap Opportunities Fund, Systematic Asia Pacific Equity High Income Fund, Systematic China A-Share Opportunities Fund,

Systematic China Environmental Tech Fund, Systematic Global Equity High Income Fund, Systematic Global SmallCap Fund, Systematic Islamic GCC Equity Fund, Systematic Islamic Saudi Arabia Equity Fund, Systematic Nasdaq Equity High Income Fund, United Kingdom Fund, US Basic Value Fund, US Flexible Equity Fund, US Growth Fund, US Mid-Cap Value Fund, US Sustainable Equity Fund, World Energy Fund, World Financials Fund, World Gold Fund, World Healthscience Fund, World Islamic Gold Fund, World Mining Fund and World Technology Fund.

(b) Each of the following Funds ("mixed funds") invests at least 25% of its Gross Assets on a continuous basis directly into Equities as defined below in accordance with Sec. 2 para . 8 of the German Investment Tax Act as applicable from 1 January 2018:

Emerging Markets Fund, Multi-Theme Equity Fund, MyMap Growth Fund, MyMap Moderate Fund and Sustainable Global Allocation Fund.

The "Gross Assets" of the Funds are defined as the value of the assets of the respective Fund without considering liabilities of such Fund (Sec. 2 para.9a sentence 1 of the German Investment Tax Act as applicable from 1 January 2018).

Corporate actions, subscriptions/redemptions, index rebalancings and market movements may temporarily cause a Fund not to meet the Equities investment levels set out above. In such a case, the Fund will take possible and reasonable measures to re-establish the indicated investment levels without undue delay after getting knowledge of the shortfall. 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 Management Company'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.

Investors should refer to their tax advisors in relation to the implications of the Funds obtaining 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.

**Japanese Tax Rules - Nippon Individual Savings Account (NISA) regulation**

It is the intention of the Management Company that the Funds listed below comply with the requirements on the use of derivatives (as described below), in order to remain eligible for investments from Nippon Individual Savings Account ("NISA") compliant investors (pursuant to the applicable NISA regulations, as the Management Company understands NISA regulations), effective as of 1st January 2024. Accordingly, as of the date of this Prospectus and notwithstanding any other provision in this Prospectus, the Funds below shall solely use derivatives for the following purposes:

(a) for investment purposes provided the derivatives are covered by cash and/or near-cash instruments; or

(b) for the purposes of liquidity management and/or hedging such as risks arising from FX rate fluctuations, interest rate fluctuations.

The following Funds will apply the above requirements on derivative use:

Circular Economy Fund, Future of Transport Fund, India Fund, Sustainable Energy Fund, World Mining Fund, World Gold Fund, World Energy Fund, World Technology Fund, World Healthscience Fund, World Financials Fund.

The above reflects the Management Company's understanding of the NISA regulation at the date of this Prospectus and investors should make their own assessment as to the NISA regulation to ensure that their investment into the Funds meet their understanding of these requirements. The regulation is subject to change and so adjustments to these requirements may be made without prior notice.

**Shari'ah Panel**
Amanie Advisors Ltd
Al Fattan Currency House, Tower II, 1304, Dubai International Financial Center,
Dubai, United Arab Emirates

Board members: Dr. Mohamed Ali Elgari, Dr. Muhammad Amin Ali Qattan, Dr. Osama Al Dereai

Compliance with Shari'ah in the operations of a Shari'ah Fund shall be determined by the Shari'ah Panel. The Shari'ah Panel consists of Shari'ah scholars with expertise in Islamic investment. The Shari'ah Panel's primary duties and responsibilities are to (i) advise on the Shari'ah aspects of a Shari'ah Fund, (ii) issue an opinion, by way of a Fatwa, ruling or guidelines as to whether the activities of a Shari'ah Fund comply with Shari'ah and (iii) make recommendations or issue guidance as to how a Shari'ah Fund could be made Shari'ah compliant. The Investment Adviser relies on the Shari'ah Panel's advice and guidance in ensuring that a Shari'ah Fund operates in a manner which is Shari'ah compliant.

The Shari'ah Panel will not be responsible for matters relating to (i) the management and supervision of the Company and its Funds, operations or vendors (not pertaining to Shari'ah), (ii) the application of Luxembourg or other jurisdictional law, (iii) determining what is the appropriate method to calculate income purification of the underlying securities.

Following guidance of the Shari'ah Panel, the Investment Adviser will ensure that any provisions or references to investment methods or techniques in the Prospectus, which would otherwise be available to a Shari'ah Fund in pursuing its investment policy, are not availed of to the extent they are not Shari'ah compliant. The Shari'ah Panel will advise on alternative investment techniques for a Shari'ah Fund which comply with a Shari'ah Fund's investment policy and are Shari'ah compliant.

The Shari'ah Panel will issue a Fatwa in respect of a Shari'ah Fund at its launch. Subject to a Shari'ah Fund's compliance with Shari'ah, the Shari'ah Panel will issue an annual Shari'ah compliance certificate for a Shari'ah Fund. With respect to certain investments in Shari'ah Funds, the Investment Adviser may request a written position from the Shari'ah Panel confirming the Shari'ah-compliant status of such investments, as further detailed in the investment objective and policy of the relevant Shari'ah Fund.

Conflicts of interest relating to the investment of a Shari'ah Fund's assets may arise between members of the Shari'ah Panel and a Shari'ah Fund. In the event that a conflict of interest does arise, members of the Shari'ah Panel will endeavour, so far as they are reasonably able, to ensure that it is resolved fairly. Subject to this, members of the Shari'ah Panel may effect transactions where those conflicts arise and shall not be liable to account for any profit, commission or other remuneration arising.

As at the date of this Prospectus, the members of the Shari'ah Panel comprised of the Amanie Advisors Shari'ah Supervisory Board Members are:

*Dr. Mohamed Ali Elgari (Chairman):* Dr. Mohamed Ali Elgari was previously a Professor of Islamic Economics and a former Director of the Centre for Research in Islamic Economics at King Abdul Aziz University in Saudi Arabia. He is an advisor to several Islamic financial institutions throughout the world and is also on the Shari'ah board of the Dow Jones Islamic Market Index. He is a member of, amongst others, the following Shari'ah Supervisory Boards - Dubai Islamic Bank, Credit Suisse, Merrill Lynch & Co, Rasmala Investments, UBS Islamic Finance, Saudi American Bank, Natixis Bank, FWU Group, Citi Islamic Investment Bank, HSBC Amanah Takaful Malaysia, Credit Agricole (Dubai), the Islamic Fiqh Academy as well as the Accounting & Auditing Organisation for Islamic Financial Institutions (AAOIFI). Dr. Elgari has written several books on Islamic banking. He is a graduate of the University of California with a Ph.D. in Economics.

*Dr. Muhammad Amin Ali Qattan:* Dr. Qattan has a Ph.D. in Islamic Banking from Birmingham University and is a lecturer and a prolific author of texts and articles on Islamic economics and finance. He is currently a freelance consultant, lecturer and trainer in Islamic banking and finance. Dr. Qattan also serves as the Shariah advisor to many reputable institutions such as Ratings Intelligence, Standard & Poors Shariah Indices amongst others. He is a highly regarded Shariah Scholar and is based in Kuwait.

*Dr. Osama Al Dereai*: Dr. Osama Al Dereai is a Shariah scholar who has an extensive experience in teaching, consulting and research in the field of Islamic finance. Dr. Al Dereai obtained his Masters degree from the International Islamic University (Malaysia) and was later conferred his Doctorate in Islamic Transactions from the University of Malaya. Dr. Al Dereai is a Shariah board member of various financial institutions which include the First Leasing Company, Barwa Bank, Barwa Capital (UK), First Investment Company and Ghanim Al Saad Group of Companies, Asian Islamic Investment Management Sdn. Bhd. Dlala Islamic Brokerage Company (W.L.L) First Finance Company (Q.S.C.) amongst others. He received his Bachelor's degree specializing in the Science of Hadeth Al Sharef from the prestigious Islamic University of Madina.

**Shari'ah Funds**
While it is intended that the Shari'ah Funds are Shari'ah compliant at all times, there remains the possibility that the Fund invest in non-Shari'ah compliant asset, due to circumstances outside the control of the Fund, human error or omission at the level of the

Investment Adviser, or another party, changes to the Shari'ah status of one or more constituents of the Index or another reason. Unless otherwise provided in the relevant Shari'ah Fund's Investment Objective and Policy below, an asset is deemed to be a non-Shari'ah compliant asset where it becomes non-compliant with the exclusion rules set out in the Index provider's screening methodology, as further detailed in section "Investments in a Shari'ah Fund" of the Appendix A. An asset may also be deemed as non-Shari'ah compliant following the annual (or more frequent, as applicable) screening of investments by the Shari'ah Panel, as further detailed in section "Risk of non-compliance with Shari'ah".

In the case where Shari'ah-compliant asset becomes non-Shari'ah compliant, the Investment Adviser will take the necessary corrective measures within a reasonable period of time, by taking into account the interest of the investors, in order to correct the situation of non-compliance.

In the event of an active non-compliance with investment rules resulting in a loss for the Fund, the Fund will be compensated in accordance with the principles set forth in the Circular CSSF 24/856 regarding the protection of investors.

In the event that a capital gain or income is realized by selling the non-Shari'ah compliant asset, such amount may be purified by allocating the purification proceeds among charities, in accordance with the purification process as described in section "Purification of non-Shari'ah compliant Income". Any impure amount donated to a charity will be reflected, together with the selected beneficiary charity, in the Company's annual report. Any such amounts will be deducted only upon their actual determination and no anticipated accrual thereof shall be made.

Set out below is the current list of charitable organisations that have been selected by the Shari'ah Panel and duly approved by the Board of Directors:

| | |
|---|---|
| Alzheimer Europe (Luxembourg) | available on : https://www.alzheimer-europe.org/ |
| Fondation Cancer (Luxembourg) | available on : https://www.cancer.lu/fr |

**Purification of Non-Shari'ah Compliant Income**

Shari'ah Funds employ a Sharia-compliant purification process to ensure that all income stemming from the Shari'ah Fund's investments and which is accrued in the Net Asset Value remains pure. This process involves the receipt of purification data on a monthly basis from the Shari'ah Fund's Index provider, allowing the Fund Accountant to identify, on a monthly basis, any non-Shari'ah compliant ("impure") income arising from dividend and interest events. Such impure income is systematically tracked and excluded from the Fund's Net Asset Value on each Dealing Day, ensuring alignment with Shari'ah at all times. As a result, the Net Asset Value remains purified and is published on a daily basis, free from any impure income.

**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) the Fund in its consolidated financial statements ("Consolidated Financial Statements"), there is a risk that the Fund may become subject to Pillar Two tax.

If the 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 the Fund becomes liable for any Pillar Two tax, this may reduce the amounts available for distribution to the Investors.

Each Investor agrees to indemnify the Fund, on demand, for any Pillar Two tax liability and tax compliance costs that may be incurred by the 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 the Fund, such liability shall be borne solely by the Investor giving rise to it (and not borne by the 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 the 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 the Fund and/or results in additional filing or compliance obligations for the Fund.

**Investment in initial public offerings.**

Where a Fund invests in initial public offerings ("IPOs"), or new debt issues, the prices of securities involved in initial public offerings or new debt issues are often subject to greater and more unpredictable price changes than more established. Specifically, the market values of IPO shares may experience high volatility from factors such as the absence of a prior public market, unseasoned trading, the limited number of shares available for trading and limited information about the issuer. Additionally, a Fund may hold IPO shares for a period of time, which may increase a Fund's expenses. Some investments in IPOs may have an immediate and significant impact on a Fund's performance.

The Investment Adviser will ascertain that investments in such asset class shall be compliant with article 41(1)(d) of the 2010 Law and may initially be included in the trash ratio accordingly.

[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.

**Risk Management**
The Management Company is required by regulation to employ a risk management process in respect of the Funds, which enables it to monitor accurately and manage the global exposure from financial derivative instruments ("global exposure") which each Fund gains as a result of its strategy.

The Management Company uses one of two methodologies, the "Commitment Approach" or the "Value at Risk Approach" ("VaR"), in order to measure the global exposure of each of the Funds and manage the potential loss to them due to market risk. The methodology used in respect of each Fund is detailed below.

**VaR Approach**
The VaR methodology measures the potential loss to a Fund at a particular confidence (probability) level over a specific time period and under normal market conditions. The Management Company uses the 99% confidence interval and one month measurement period for the purposes of carrying out this calculation.

There are two types of VaR measure which can be used to monitor and manage the global exposure of a fund: "Relative VaR" and "Absolute VaR". Relative VaR is where the VaR of a Fund is divided by the VaR of an appropriate benchmark or reference portfolio, allowing the global exposure of a Fund to be compared to, and limited by reference to, the global exposure of the appropriate benchmark or reference portfolio. The regulations specify that the VaR of the Fund must not exceed twice the VaR of its benchmark. Absolute VaR is commonly used as the relevant VaR measure for absolute return style Funds, where a benchmark or reference portfolio is not appropriate for risk measurement purposes. The regulations specify that the VaR measure for such a Fund must not exceed 20% of that Fund's Net Asset Value.

In respect of those Funds that are measured using VaR, the Management Company uses Relative VaR to monitor and manage the global exposure of some of the Funds and Absolute VaR for others. The type of VaR measure used for each Fund is set out below and where this is Relative VaR the appropriate benchmark or reference portfolio used in the calculation is also disclosed.

**Commitment Approach**
The Commitment Approach is a methodology that aggregates the underlying market or notional values of financial derivative instruments to determine the degree of global exposure of a Fund to financial derivative instruments.

Pursuant to the 2010 Law, the global exposure for a Fund under the Commitment Approach must not exceed 100% of that Fund's Net Asset Value.

**Leverage**
A fund's level of investment exposure (for an equity fund, when combined with its instruments and cash) can in aggregate exceed its net asset value due to the use of financial derivative instruments or borrowing (borrowing is only permitted in limited circumstances and not for investment purposes). Where a fund's investment exposure exceeds its net asset value this is known as leverage. The regulations require that the Prospectus includes information relating to the expected levels of leverage in a fund where VaR is being used to measure global exposure. The expected level of leverage of each of the Funds is set out below and expressed as a percentage of its Net Asset Value. The Funds may have higher levels of leverage in atypical or volatile market conditions for example when there are sudden movements in investment prices due to difficult economic conditions in a sector or region. In such circumstances the relevant Investment Adviser may increase its use of derivatives in a Fund in order to reduce the market risk which that Fund is exposed to, this in turn would have the effect of increasing its levels of leverage. For the purposes of this disclosure, leverage is the investment exposure gained through the use of financial derivative instruments. It is calculated using the sum of the notional values of all of the financial derivative instruments held by the relevant Fund, without netting. The expected level of leverage is not a limit and may vary over time.

**Regulation (EU) 2016/1011 of the European Parliament and of the Council (the "Benchmark Regulation")**
In respect of those Funds that track a benchmark index, or are managed by reference to a benchmark index, the Company works with the applicable benchmark administrators for the benchmark indices of such Funds to confirm that the benchmark administrators are, or intend to get themselves, included in the register maintained by ESMA under the Benchmark Regulation.

The list of benchmark administrators that are included in the Benchmark 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 benchmark (as defined in the Benchmark Regulations) and, the following benchmark administrators of in-scope indices are included in the Benchmark Regulation Register:

- MSCI Limited (in respect of the in-scope MSCI indices); and
- S&P Dow Jones Indices LLC (in respect of the in-scope S&P and Dow Jones indices)

As of the date of this Prospectus, the following benchmark administrator of in-scope indices is not included in the Benchmarks Regulation Register:

- FTSE International Limited (in respect of the in-scope FTSE & Russell indices).

The benchmark administrators of in-scope indices that are not included in the Benchmarks Regulation Register continue to provide in-scope indices on the basis of their current application with ESMA to be included in the Benchmark 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 Benchmark Regulation (each as defined in the Benchmark Regulations):

- Critical Benchmarks
- Significant Benchmarks
- Eu Climate Transition Benchmarks
- Eu Paris-Aligned Benchmarks
- Certain Commodity Benchmarks

The Manager 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 Manager has in place and maintains robust written plan setting out the actions that it would take in the event that a benchmark is materially changed or ceases to be provided.

**Investment Objectives and Policies of the Funds**

The ***AI Innovation Fund*** seeks to maximise total return and capital growth and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is the advancement, development and use of artificial intelligence (AI) technology. The Investment Adviser considers, in its discretion, that a company is an AI company if it is expected to derive future revenue from the advancement, development, and use of AI technology.

Such companies are generally expected to operate in one or more of the following areas: (i) computing and infrastructure (e.g., graphics processing units (GPUs), cloud computing and data centers); (ii) foundational models; (iii) data (e.g., vertical industry data and proprietary data); (iv) software (e.g., enterprise applications); (v) services (e.g., information technology (IT) services); (vi) internet (e.g., chatbots or content creation); or (vii) hardware (e.g., robotics, smart glasses).

In normal market conditions the Fund will invest in equity securities of companies with large, medium and small market capitalisation (market capitalisation is the share price of the company multiplied by the number of shares issued). Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**

The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In doing so, the Investment Adviser will refer to the Morningstar Global Artificial Intelligence Select Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The MSCI All Countries World Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Asian Dragon Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Asia, excluding Japan.

The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects. The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**

The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI All Country Asia ex Japan Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and

policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Asian High Yield Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in high yield fixed income transferable securities, denominated in various currencies, issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in the Asia Pacific region. The Fund may invest in the full spectrum of permitted fixed income transferable securities and fixed income related securities, including non-investment grade. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and QFI Access Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China via the QFI regime and in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using the iBoxx ChinaBond Asian High Yield (USD Hedged) Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 70% of Net Asset Value.**

**Important Note: please note that the liquidity of Asia high yield bond market is particularly unpredictable. Investors should read the "Liquidity Risk" sections of the "Risk Considerations" section of this Prospectus and the "Suspension and Deferral" section of Appendix B of this Prospectus prior to investing in this Fund.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the iBoxx ChinaBond Asian High Yield (USD Hedged) Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index providers website at www.spglobal.com/spdji/.

The ***Asian Multi-Asset Income Fund*** seeks to provide income and long-term capital growth from its investments. The Fund invests at least 70% of its total assets, directly and indirectly through permitted investments, in fixed income transferable securities and equity securities of issuers and companies domiciled in, or exercising the predominant part of their economic activity in, Asia, excluding Japan. The Fund invests in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities (including non-investment grade), units of CIS, cash, deposits and money market instruments. The Fund has a flexible approach to asset allocation with a bias towards income-generating securities (including fixed income transferable securities and dividend-paying equities). Currency exposure is flexibly managed.

The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly in the PRC by investing via the QFI regime and/or via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the QFI regime, the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain

exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 50% MSCI Asia ex Japan Index / 25% JP Morgan Asia Credit Index / 25% Markit iBoxx ALBI Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed and the asset classes and the extent to which the Fund is invested in these may vary without limit depending on market conditions and other factors at the Investment Adviser's discretion. The Investment Adviser may refer to a composite benchmark comprising MSCI Asia ex Japan Index (50%), the JP Morgan Asia Credit Index (25%) and the Markit iBoxx ALBI Index (25%) (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. The components of the Index (i.e. MSCI Asia ex Japan Index (50%), the JP Morgan Asia Credit Index (25%) and the Markit iBoxx ALBI Index) may be quoted separately in marketing material related to the Fund. Further details are available at the index providers website at www.msci.com, www.jpmorgan.com/insights/global-research/index-research/composition-docs and www.spglobal.com/spdji/.

The ***Asia Pacific Bond Fund*** seeks to maximise income without sacrificing long term capital growth and seeks to invest in a manner consistent with the principles of environmental, social and governance (ESG) focused investing.

The Fund invests at least 70% of its total assets in fixed income transferable securities of issuers domiciled in, or exercising the predominant part of their economic activity in the Asia Pacific region.

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

As part of its investment objective, the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 15% of total assets and the Fund's exposure to Distressed Securities is limited to 5% of its total assets.

The Fund invests no more than 20% of its total assets in non-investment grade fixed income transferable securities.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Climate Transition Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

In very limited circumstances, the Fund may inadvertently gain indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that are inconsistent with the exclusions described above.

The Fund seeks to have a weighted average absolute carbon emission contribution (scope 1+ scope 2 excluding green and sustainable bonds) that is 30% lower than the ESG Reporting Index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the:

(i) iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Climate Transition Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will

deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

(ii) iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Capped Index (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at https://www.spglobal.com/spdji/en/methodology/article/iboxx-usd-asia-pacific-ex-greater-china-non-sovereigns-investment-grade-climate-transition-index-methodology.

The ***Asian Tiger Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the fixed income transferable securities of issuers domiciled in, or exercising the predominant part of their economic activity in, Asian Tiger countries. The Fund may invest in the full spectrum of available securities, including non-investment grade. The currency exposure of the Fund is flexibly managed.

The Fund is a QFI Access Fund and may invest directly up to 20% of its total assets in the PRC by investing via the QFI regime.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the QFI regime, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets and the Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using JP Morgan Asian Credit Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 150% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the JP Morgan Asia Credit Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index providers website at www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Brown To Green Materials Fund*** seeks to maximise total return. The Fund invests in the equity securities of companies globally that contribute to the transitioning materials theme. The transitioning materials theme covers the need for materials to build lower carbon technologies and efforts to reduce the emissions intensity of the materials sector. As well as being aligned to the principles of the transitioning materials theme, at least 80% of the Fund's total assets will be invested in companies which qualify under BlackRock's proprietary 'Transition Assessment' methodology. Although the intention is to invest only in equity securities of such companies, the Fund may gain limited indirect exposure to other equity securities, fixed income securities, CIS or cash (which may not be consistent with the transition theme) for the purposes of meeting the Fund's objective or for liquidity purposes.

The Fund seeks to invest in Sustainable Investments, and the Fund seeks for its total assets to be invested in accordance with the principles of environmental, social and governance (ESG) Policy described below.

More than 90% of the issuers of securities (excluding MMFs) the Fund invests in are ESG rated or have been analysed for ESG purposes.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the EU Climate Transition Benchmark Exclusions.

The Investment Adviser will identify a universe of potential investments within the following categories of companies – consistent with the principles of the transitioning materials theme:

Emission Reducers: suppliers of materials that have a plan to reduce their carbon emissions intensity over a defined period.

Enablers: producers of materials that enable the world to transition to a lower carbon global economy (e.g. lithium) and companies providing solutions that enable materials companies to reduce their emissions intensity.

Green Leaders: companies producing materials with below average carbon emissions intensity for their industry (e.g. within the steel sector).

References to materials above include materials that enable transition to a lower carbon economy and materials for which lower carbon technologies are not a key demand driver.

Having determined those companies which meet the principles of the transitioning materials theme, the Fund will further apply BlackRock's proprietary 'Transition Assessment' methodology to ensure a minimum of 80% of the Fund's total assets are invested in securities that align with the requirements for products with transition-related terms in their name under the ESMA guidelines on funds' names.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced above will apply only to the underlying securities of derivatives used by the Fund.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The Investment Adviser will refer to the MSCI ACWI Materials Index for risk management purposes to ensure that the active risk (i.e. degree of deviation from the MSCI ACWI Materials Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. In the opinion of the Investment Adviser, the MSCI ACWI Materials Index is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. Investors may also use the MSCI All Countries World Index to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com/acwi.

The ***China Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in Renminbi or other non-Chinese domestic currencies issued by entities exercising the predominant part of their economic activity in the PRC through recognised mechanisms including but not limited to the Chinese Interbank Bond Market, the exchange bond market, quota system and/or through onshore or offshore issuances and/or any future developed channels. The Fund is a QFI Access Fund and a CIBM Fund and may invest without limit in the PRC via the QFI regime and in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest in the full spectrum of permitted fixed income transferable securities and fixed income related securities, including non-investment grade (limited to 50% of total assets). Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 190% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The 1 Year China Household Savings Deposit Rate should be used by investors to compare the performance of the Fund.

The ***China Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the People's Republic of China.

The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on

their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed and the investment adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI China 10/40 Index when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***China Multi-Asset Fund*** follows an asset allocation policy that seeks to maximise total return in a manner consistent with the principles of environmental, social and governance (ESG) investing.

In order to achieve its investment objective, the Fund will seek to invest at least 70% of its total assets (excluding cash) in the full spectrum of permitted investments to gain exposure to the People's Republic of China ("PRC") which may include issuers and/or companies exercising the predominant part of their economic activity in the PRC. The Fund's permitted investment may include equities, equity-related securities, fixed income transferable securities and fixed income related transferable securities including non-investment grade securities (limited to 20% of total assets), units or shares in undertakings for collective investment (including exchange traded funds), derivatives and, when determined appropriate, cash, deposits and cash-equivalent instruments. The Fund may, at times, take indirect exposure to relevant assets, including commodities, through investments in undertakings for collective investment (including exchange traded funds), and derivatives on commodity indices where applicable.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's total assets will be invested in accordance with the ESG Policy described below.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 10% of total assets.

The Fund has a flexible approach to asset allocation. The Fund is a QFII Access Fund, a Stock Connect Fund and a CIBM Fund and may invest without limit in the PRC via the QFII regime, via the Stock Connects and in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Where the Fund holds securities directly, the Fund will apply the BlackRock EMEA Baseline Screens.

The Fund will invest at least 80% of total assets, excluding cash and derivatives, in Collective Investment Schemes qualifying as Article 8 or 9 of the SFDR Regulation and investment strategies which pursue a positive ESG objective or outcome and do not adopt ESG exclusionary screens solely as their ESG policy, or, in the case of government bond exposures, track benchmark indices incorporating ESG requirements. Where determined appropriate,

the Fund may invest directly in derivatives, cash and near-cash instruments.

The assessment of the level of involvement in each activity 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 remaining companies (i.e. those companies which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on their ability to manage the ESG related risks and opportunities associated with their business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. The Fund has an unconstrained investment style.

The ***China Onshore Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in Renminbi issued by entities exercising the predominant part of their economic activity in the PRC (through recognised mechanisms including (but not limited to) the Chinese Interbank Bond Market, the exchange bond market, quota system and/or through onshore or offshore issuances and/or any future developed channels) in a manner consistent with the principles of environmental, social and governance "ESG" focused investing. The 70% ratio above may include, on a temporary basis and for liquidity management purposes the holding of cash and near cash instruments.

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

The Fund is a QFI Access Fund and a CIBM Fund and may invest without limit in the PRC via the QFI regime and in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest in the full spectrum of permitted fixed income transferable securities and fixed income related securities, including non-investment grade (limited to 50% of total assets). Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 120% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens. Investors should please note in relation to the screen which covers the UN Global Compact Principles (which cover human rights, labour standards, the environment and anti-corruption) that at the time of the launch of this Fund, coverage of the investable universe is limited but is expected to improve over time.

The Investment Adviser also intends to invest at least 10% of the Fund's total assets in "green bonds", "sustainable bonds" and "social bonds" (each as defined by its corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively).

In very limited circumstances, the Fund may inadvertently gain indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that are inconsistent with the exclusions described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The 1 Year China Household Savings Deposit Rate should be used by investors to compare the performance of the Fund.

The ***Circular Economy Fund*** seeks to maximise total return. The Fund invests at least 80% of its total assets in the equity securities of companies globally that benefit from, or contribute to, the advancement of the "Circular Economy". Although the intention is to invest only in such equity securities, up to 20% of the total assets of the Fund may be invested in other equity securities, fixed income securities, CIS or cash (which may not be consistent with the Circular Economy concept) for the purposes of meeting the Fund's objective or for liquidity purposes.

The Circular Economy concept recognises the importance of a sustainable economic system and represents an alternative economic model to the default "make-use-throw away" approach of consumption, which is believed to be unsustainable given scarce resources and the rising cost of managing waste. The Circular Economy concept promotes the redesign of products and systems to minimise waste and to enable greater recycling and reuse of materials. The Fund's total assets will be invested in accordance with the ESG Policy described below.

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions.

The Fund will also aim to invest in line with the principles of the Circular Economy as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation, across all industry sectors, that benefit from the Circular Economy and/or contribute to the advancement of the Circular Economy across three categories:

Adopters: Companies that are adopting 'circularity' in their business operations (e.g. companies involved in sustainable fashion or companies that have made a commitment to use recycled plastics in production processes).

Enablers: Companies that provide new, innovative solutions directly aimed at solving inefficient material use and pollution (e.g. companies involved in recycling of products, companies involved in reducing inputs such as water and energy and companies enabling sustainable transportation).

Beneficiaries: Companies that provide alternatives to materials that cannot be recycled or supply these to the extended value chain (e.g. companies that will see an increase in demand for their products from shifts towards more easily recyclable products and companies that offer natural or plant-based circular alternatives to non-recyclable and non-biodegradable products).

The assessment of a company's benefit from and/or contribution to the advancement of the Circular Economy in each of the above categories may be based on percentage of revenue, a defined total revenue threshold, or any connection to the Circular Economy regardless of the amount of revenue received. The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with the Circular Economy and on their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced above will apply only to the underlying securities of derivatives used by the Fund.

The weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI ACWI after eliminating at least 20% of the least well-rated securities from the index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In doing so, the Investment Adviser will refer to a composite benchmark comprising the MSCI ACWI IMI Sustainable Water Transition Index (33.33%), the MSCI ACWI IMI Plastics Transition Index (33.33%) and the MSCI ACWI IMI Natural Resources Stewardship Index (33.33%) (the "Benchmark") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy. In the opinion of the Investment Adviser, the MSCI All Countries World Index (MSCI ACWI) is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. The MSCI ACWI measures the performance of large and mid-capitalisation stocks across developed and emerging markets countries. Further details are available at the index provider website at www.msci.com/acwi.

The ***Climate Transition Multi-Asset Fund*** seeks to maximise total return by investing in issuers globally that are expected to enable, and/or benefit from, the transition to a lower greenhouse gas emissions economy and to net zero carbon emissions. The Fund invests in the full spectrum of permitted investments including (but not limited to) equities, equity-related securities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of CIS, cash, deposits and money market instruments. Currency exposure and asset allocation is flexibly managed. The Fund may invest without limitation in securities denominated in currencies other than the reference currency (Euro).

Although it is likely that most of the Fund's investments will be in issuers located in developed markets globally, the Fund may also invest in emerging markets.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below and at the levels set out in its SFDR Pre-Contractual Disclosure in Appendix H.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations.

The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**ESG Policy**
The Fund will apply the EU Climate Transition Benchmark Exclusions.

The Fund will apply BlackRock's proprietary 'Transition Assessment' methodology to ensure a minimum of 80% of the Fund's total assets are invested in securities that align with the requirements for products with transition-related terms in their name under the ESMA guidelines on funds' names.

The weighted average ESG rating of the Fund will be higher than the Index after eliminating at least 20% of the least well-rated securities from the Index. The weighted average ESG rating excludes certain asset classes, such as funds, that are not supported by ESG rating providers. In such cases, the Investment Adviser will assess these holdings to ensure they are in line with the Environmental objective of the Fund.

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

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers with exposures that do not meet the ESG criteria described above.

The Fund's ESG score will be calculated as the total of each issuers ESG score (where applicable), weighted by its market value. The ESG score of the relevant benchmark will be calculated using the ESG scores of the relevant asset class indices weighted to reflect the benchmark allocations. These scores may be quoted for individual asset classes or allocation weighted in marketing material.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Relative VaR using MSCI All Country World All Cap Index 65% and Bloomberg Global Aggregate Bond Index (Hedged to EUR) 35% as the appropriate benchmark.**

**Expected level of leverage of the Fund: 300% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The Investment Adviser may refer to a composite benchmark (which it believes is a fair representation of the Fund's investment universe) comprising the MSCI All Country World All Cap Index 65% and Bloomberg Global Aggregate Bond Index (hedged to EUR) 35% (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in asset classes or securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. The components of the Index (i.e. MSCI All Country World All Cap Index 65% Index and Bloomberg Global Aggregate Bond Index (hedged to EUR) 35%) may be quoted separately in marketing material related to the Fund. Further details are available at the index providers website at www.bloomberg.com/professional/product/indices and www.msci.com.

The ***Continental European Flexible Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Europe excluding the UK. The Fund normally invests in securities that, in the opinion of the Investment Adviser, exhibit either growth or value investment characteristics, placing an emphasis as the market outlook warrants.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities, In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the FTSE World Europe ex UK Index when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***Diversified Tactical Fund*** seeks to achieve a positive absolute return through a combination of capital growth and income with a limited correlation to market movements. The Fund seeks to achieve its objective by investing globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities (which may include up to 10% of its total assets in high yield fixed income transferable securities), shares or units of CIS (including exchange-traded funds), Money Market Instruments, deposits, foreign currencies and cash, along with any other securities or instruments outlined in Appendix B.

The Fund will not have a geographical or sector focus but may have a high allocation to particular countries or sectors at any one time. The Fund will mainly invest in developed markets but may also have exposure to emerging markets. The asset allocation of the Fund is intended to be flexible to allow the Fund to allocate across countries and maintain the ability to adjust its exposures as market conditions dictate.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment instruments using discretionary investment techniques to derive investment themes based on research and analysis of macro-economic data.

The Fund's investment strategy seeks to evaluate the underlying issuers of the securities and instruments set out above according to the following macroeconomic categories: 'growth', 'inflation', 'policy' and 'pricing'.

- Within the growth category, the Fund uses statistical and mathematical techniques to assess indicators such as real output, balance of payments (i.e. transactions between entities in a given country with the rest of the world) and economic relationships between different countries.
- Within the inflation category, the Fund uses statistical and mathematical techniques to assess indicators such as inflation pressures, input costs to producers, labour costs and the effects of changes in exchange rates.
- Within the policy category, the Fund uses statistical and mathematical techniques to assess indicators such as fiscal and monetary policy regimes.
- Within the pricing category, the Fund uses statistical and mathematical techniques to assess indicators such as relative value and asset price correlations.

These categories are then used in the Fund's investment process to determine which markets, securities and foreign currencies will comprise the Fund's portfolio, with a higher allocation being made to those underlying issuers whose securities correspond positively with the above criteria.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Where the Fund uses derivatives, this may generate varying amounts of market leverage (i.e. where the Fund gains market exposure in excess of the value of its assets) and at times these levels of market leverage may be high. The use of derivatives will inevitably create leverage, because of the required calculation method i.e. leverage is the sum or gross notional exposure created by the derivatives used. A high leverage number is not necessarily an indication of high risk.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations.

The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

**Risk management measure used: Relative VaR using MSCI World Index as the appropriate benchmark**

**Expected level of leverage of the Fund: 250% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Investment Adviser may also consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers depending on the particular ESG strategy applicable to the Fund.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI World Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. In the opinion of the Investment Adviser, the Index is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Dynamic High Income Fund*** follows a flexible asset allocation policy that seeks to provide a high level of income. In order to generate high levels of income the Fund will seek diversified income sources across a variety of asset classes, investing significantly in income producing assets such as fixed income transferable securities, including corporate and government issues which may be fixed and floating and may be investment grade, sub-investment grade or unrated, covered call options and preference shares. The Fund will use a variety of investment strategies and may invest globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, units of CIS, cash, deposits and money market instruments. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly in the PRC by investing via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 50% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets, its exposure to contingent convertible bonds is limited to 20% of total assets and its exposure to structured notes qualifying as transferable securities (which may embed a derivative) is limited to 30% of total assets. Where structured notes embed a derivative, the underlying instruments to such structured notes will be UCITS eligible investments.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to**

**read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 70% MSCI World Index / 30% Bloomberg Global Aggregate Bond Index USD Hedged as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed and the asset classes and the extent to which the Fund is invested in these may vary without limit depending on market conditions and other factors at the Investment Adviser's discretion. In selecting these, the Investment Adviser may take into consideration a composite benchmark comprising MSCI World Index (70%) and the Bloomberg Global Aggregate Bond Index USD Hedged (30%) (the "Index") when constructing the Fund's portfolio, and for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. Whilst the Index is used by the Investment Adviser in constructing the portfolio of the Fund, the Investment Adviser is not bound by its components or weighting when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. The components of the Index (i.e. MSCI World Index and Bloomberg Global Aggregate Bond Index USD Hedged) may be quoted separately in marketing material related to the Fund. Further details are available at the index providers website at www.bloomberg.com/professional/products/indices and www.msci.com.

The ***Dynamic Infrastructure Opportunities Fund*** seeks to maximise long term total return by investing at least 70% of its total assets in the equity securities of companies whose predominant economic activity is within the global infrastructure sector. The fund adopts a high-conviction, dynamic approach to security selection, allowing capital to be allocated to the attractive risk-adjusted opportunities across the infrastructure sector.

In normal market conditions the Fund will invest in a relatively concentrated portfolio of equity securities of companies with large, medium and small market capitalisation across a broad range of infrastructure sub-sectors including (without limitation) utilities, midstream, transports, social infrastructure and digital infrastructure. The Fund's total assets will be invested in accordance with the ESG Policy described below.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

**ESG Policy**
The Fund will apply the EU Climate Transition Benchmark Exclusions.

The Fund will invest in line with the principles of the transition theme as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions, the Fund will invest in a portfolio of equity securities of infrastructure companies with large, medium and small market capitalization. The Fund will invest at least 70% of its assets in equities or equity-related securities of infrastructure companies, that contribute to the advancement of the transition theme in any of these three categories:

Improvers: companies demonstrating positive progress or commitment to reducing the carbon emissions intensity of their operations;

Peer Group Leaders: companies which are already considered within their respective sectors as leaders in carbon reduction;

Solutions & Key Inputs: companies providing key inputs or finished goods and services to support the real world decarbonization.

Using this methodology, issuers are assessed against criteria which may include, but are not limited to:

Science Based Targets, progress against existing targets, Implied Temperature Rise or revenues associated with EU Taxonomy.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the FTSE 50/50 Developed Core Infrastructure Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***Emerging Europe Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, emerging European countries. It may also invest in companies domiciled in and around, or exercising the predominant part of their economic activity in and around, the Mediterranean region.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the MSCI Emerging Markets Europe 10/40 Index when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Emerging Markets Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the fixed income transferable securities of governments and agencies of, and companies domiciled or exercising the predominant part of their economic activity in, emerging markets. The Fund may invest in the full spectrum of available securities, including non-investment grade. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of Argentina, Brazil, Ghana, Indonesia, Lebanon, Mexico, the Philippines, Russia, Sri Lanka, Turkey, Ukraine, Venezuela and Zambia, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the JP Morgan Emerging Markets Bond Index Global Diversified Index (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

The Fund's exposure to contingent convertible bonds is limited to 10% of total assets and the Fund's exposure to Distressed Securities is limited to 15% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using JP Morgan Emerging Markets Bond Index Global Diversified Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 150% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the JP Morgan Emerging Markets Bond Index Global Diversified Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Emerging Markets Corporate Bond Advanced Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing.

The Fund invests at least 70% of its total assets in the fixed income transferable securities issued by companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets and included within the J.P. Morgan Screened Tilted and Reweighted Corporate Emerging Markets Bond Index Broad Diversified (the "Index" and the securities comprised within it being the "Index Securities"). The Index provides the investment universe for at least 70% of the Fund's total assets. The weighting of Index Securities within the Fund's portfolio may differ from the weightings of securities within the Index, as the Fund is actively managed and does not seek to track the Index.

The Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below.

The full spectrum of fixed income transferable securities, including non-investment grade, may be utilised. Investments in high yield fixed income transferable securities are expected to represent a significant part of the portfolio and are likely to exceed 50% of the Fund's net asset value.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed

by governments in each of Argentina, Brazil, Hungary, Indonesia, Mexico, the Philippines, Russia, Republic of South Africa, Turkey and Ukraine, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the J.P. Morgan Screened Tilted and Reweighted Corporate Emerging Markets Bond Index Broad Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

Currency exposure is flexibly managed.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of its total assets.

**Risk management measure used: Relative VaR using J.P. Morgan Screened Tilted and Reweighted Corporate Emerging Markets Bond Index Broad Diversified as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**ESG Policy**
In selecting Index Securities, the Investment Adviser will, in addition to other investment criteria, take into account the ESG characteristics of the relevant issuer. The Investment Adviser will analyse which ESG factors drive an issuer's ESG credentials within the Index and its broader ESG performance.

The Index methodology assesses and ranks potential constituents according to their ESG credentials relative to their industry peers. This means that the Index provider, J.P. Morgan LLC, carries out an assessment on the sustainability and ethical impact of those constituents in accordance with its predetermined methodology. For further details please refer to https://www.jpmorgan.com/insights/research/index-research/composition-docs.

The Fund may also invest in fixed income transferable securities of an issuer which is not included in the Fund's benchmark index at the time of purchase, but which the Investment Adviser considers to meet similar ESG criteria (in addition to other investment criteria).

In addition to the above, the Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

The Investment Adviser intends the Fund to have a carbon emissions intensity score that is lower than the J.P. Morgan Corporate Emerging Market Bond Index Broad Diversified (the "ESG Reporting Index"). The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments, provided that: the Fund will invest at least 70% of its total assets in fixed income (FI) securities within the J.P. Morgan Screened Tilted and Reweighted Corporate Emerging Markets Bond Index Broad Diversified (the "Index"). The Fund will also refer to the Index for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the weighting of the Index when selecting Index Securities. The geographical scope and the environmental, social and governance ("ESG") requirements (described below) of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available on the index provider website at www.jpmorgan.com/insights/research/index-research/composition-docs.

The ***Emerging Markets Corporate Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of total assets in fixed income transferable securities issued by companies domiciled in, or exercising the predominant part of their economic

activity in, emerging markets. The Fund may invest in the full spectrum of available securities, including non-investment grade. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets and the Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using JPMorgan Corporate Emerging Markets Bond Index Broad Diversified as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the JP Morgan Corporate Emerging Markets Bond Index Broad Diversified (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.jpmorgan.com/ insights/global-research/index-research/composition-docs.

The ***Emerging Markets Equity Income Fund*** seeks an above average income from its equity investments without sacrificing long term capital growth. The Fund invests globally at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets. Investment may also be made in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, developed markets that have significant business operations in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Emerging Markets Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Emerging Markets Ex-China Fund*** seeks to maximise total return through a combination of capital growth and income on Fund assets. The Fund invests globally at least 80% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets, excluding China. Investments may also be made in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, developed markets that have significant business operations in emerging markets (excluding China).

The Fund may indirectly invest in emerging markets securities (excluding China) by investing in American Depository Receipts (ADRs) and Global Depositary Receipts (GDRs), which are listed or traded on stock-exchanges and regulated markets outside emerging markets. ADRs and GDRs are investments issued by financial institutions which give exposure to underlying equity securities.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Emerging Markets ex-China 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Emerging Markets Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity

securities of companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets. Investment may also be made in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, developed markets that have significant business operations in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Emerging Markets Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Emerging Markets Impact Bond Fund*** seeks to achieve capital growth and income over the long term (at least five consecutive years) by investing at least 80% of its total assets in a relatively concentrated global portfolio of "Green, Social and Sustainability" (GSS) bonds issued by governments and agencies of, and companies domiciled or exercising the predominant part of their economic activity in, emerging markets, where the proceeds of such GSS bonds are tied to green and socially responsible projects.

The Fund may invest more than 50% (but not more than 70%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments rated non-investment grade. The exposure to any one non-investment grade country will not exceed 10% of the Fund's Net Asset Value.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions.

The Fund invests in "impact" investments which are those made with the intention to generate positive, measurable social and/or environmental impact alongside a financial return. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. The Fund may invest in the full spectrum of available fixed income securities, including non-investment grade. Currency exposure is flexibly managed.

For the selection of GSS bonds, the Investment Adviser will analyse the use of proceeds of the issues and the issuer framework for alignment of the bonds with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) of the International Capital Markets Association to determine suitability within the investment universe. For the entire portfolio, the Investment Adviser will base investment decisions on issuer specific research (such as sovereign and credit analysis comprising a multi factor framework assessing global, country and issuer specific risk to determine issuers' ability and willingness to pay over the long term) to identify and select the GSS bonds and other fixed income securities that, in the opinion of the Investment Adviser, have the potential to produce attractive long-term returns whilst also being consistent with the United Nations Sustainable Development Goals ("UN SDGs"). The UN SDGs are a series of goals published by the United Nations which recognise that ending poverty and other deprivations must go hand-in-hand with improvements in health, education, and economic growth, and a reduction in inequalities, all whilst tackling climate change and working to preserve the planet's oceans and forests. For further details see the UN website: https://sdgs.un.org/goals.

For the selection of non-GSS bonds, including emerging market corporate bonds and sovereign bonds, the Investment Adviser will only invest in highly rated ESG bonds.

The investment strategy reduces the investment universe of the Fund by at least 20%. For the purposes of measuring this reduction only, a combination of the JP Morgan Emerging Markets Bond Index and JPMorgan Corporate Emerging Markets Bond Index is used to define the investment universe.

The Investment Adviser also intends to limit direct investment in securities of issuers which, in the opinion of the Investment Adviser, have any exposure to, or ties with, controversial weapons; derive more than five per cent of their revenue from the production, distribution, licensing, retail or supply of tobacco or tobacco-related products; the production or distribution of firearms or small arms ammunitions intended for retail civilians; are deemed to have failed to comply with one or more of the ten United Nations Global Compact Principles ("UNGC"), which cover human rights, labour standards, the environment and anti-corruption.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. The Fund has an unconstrained investment style (i.e. it will not take a benchmark

index into account when selecting the Fund's investments). The JP Morgan Screened Tilted and Reweighted Green Bond Emerging Markets Index (USD Hedged) (the "Index") should be used by investors to compare the performance of the Fund over the long term. The Index measures the performance of green bonds across emerging markets. Further details are available at the index provider website at www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Emerging Markets Local Currency Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in local currency-denominated fixed income transferable securities issued by governments and agencies of, and companies domiciled or exercising the predominant part of their economic activity in, emerging markets. The full spectrum of available securities, including non-investment grade, may be utilised. Currency exposure is flexibly managed.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund is a QFI Access Fund and may invest directly up to 20% of its total assets in the PRC by investing via the QFI regime.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the QFI regime, the Foreign Access Regime and/or Bond Connect.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of Brazil, Hungary, Indonesia, Russia Republic of South Africa and Turkey, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the JP Morgan GBI-EM Global Diversified Index (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using JP Morgan GBI-EM Global Diversified Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 480% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the JP Morgan GBI-EM Global Diversified Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Emerging Markets Sustainable Equity Fund*** seeks to maximise total return by investing at least 70% of its total assets in the equity securities of companies domiciled in, or whose main business is in, emerging markets in a manner consistent with the principles of sustainable investing.

The investment decisions are based on the Investment Adviser's fundamental research focusing on bottom up (i.e. company-specific) analysis, inclusive of financial and non-financial metrics. This approach aims to identify and select equity and equity-related securities that can, through a concentrated portfolio, reflect the Investment Adviser's conviction to deliver the Fund's investment objective. The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced above will apply only to the underlying securities of derivatives used by the Fund.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions and the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the BlackRock EMEA Baseline Screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified

by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

The Investment Adviser also intends to limit direct investment in securities of issuers involved in: the production and retail sales of alcoholic products; the ownership or operation of gambling-related activities or facilities and the production of adult entertainment materials. The assessment of the level of involvement in each activity 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 ESG criteria also consists of a rating of B or higher as defined by MSCI's ESG Intangible Value Assessment Ratings or another equivalent third party ESG data provider.

The Investment Adviser intends the Fund to have a carbon emissions intensity score at least 20% lower than its Index.

More than 90% of the issuers of securities (excluding MMFs) the Fund invests in are ESG rated or have been analysed for ESG purposes.

Companies in the portfolio are then evaluated by the Investment Adviser based on their sustainability characteristics and their ability to manage ESG risks and opportunities. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

The Investment Adviser engages with companies to support improvement in their environmental, social and governance ("ESG") credentials.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Emerging Markets Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. In the opinion of the Investment Adviser, the Index is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. The Index measures the performance of large and mid-capitalisation companies across emerging markets globally. Further details are available at the index provider website at www.msci.com.

The ***ESG Emerging Markets Blended Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing.

The Fund invests at least 70% of its total assets in fixed income transferable securities issued by governments and government agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets, denominated in both emerging market and non-emerging market currencies, and included within the J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) (the "Index", and the securities comprised within it being the "Index Securities"). The Index provides the investment universe for at least 70% of the Fund's total assets. The weighting of Index Securities within the Fund's portfolio may differ from the weightings of securities within the Index, as the Fund is actively managed and does not seek to track the Index. The asset allocation of the Fund is intended to be flexible and the Fund will maintain the ability to switch exposure between currencies and issuers as market conditions and other factors dictate.

The Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below.

The full spectrum of fixed income transferable securities, including non-investment grade, may be utilised. Investments in high yield fixed income transferable securities are expected to represent a significant part of the portfolio and are likely to exceed 50% of the Fund's net asset value.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of Argentina, Brazil, Hungary, Ghana, Indonesia, Mexico, the Philippines, Sri Lanka, Russia, Republic of South Africa, Turkey, Ukraine and Zambia, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/ investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

Currency exposure is flexibly managed.

The Fund's exposure to Distressed Securities is limited to 15% of its total assets and its exposure to contingent convertible bonds is limited to 10% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) as appropriate benchmark.**

**Expected level of leverage of the Fund: 550% of Net Asset Value.**

**ESG Policy**
In selecting Index Securities, the Investment Adviser will, in addition to other investment criteria, take into account the ESG characteristics of the relevant issuer. The Investment Adviser will analyse which ESG factors drive an issuer's ESG credentials within the Index and its broader ESG performance.

The Index methodology assesses and ranks potential constituents according to their ESG credentials relative to their industry peers. This means that the Index provider, J.P. Morgan LLC, carries out an assessment on the sustainability and ethical impact of those constituents in accordance with its predetermined methodology. For further details please refer to https://www.jpmorgan.com/insights/research/index-research/composition-docs.

The Fund may also invest in fixed income transferable securities of emerging markets and non-emerging markets issuers which are not included in the Fund's benchmark index at the time of purchase, but which the Investment Adviser considers to meet similar ESG criteria (in addition to other investment criteria).

In addition to the above, the Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index (as defined under the Benchmark use section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments, provided that: the Fund will invest at least 70% of its total assets in fixed income (FI) securities within the J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) (the "Index"). In doing so, the Investment Adviser will refer to the:

- J.P. Morgan Screened Tilted and Reweighted Blended Emerging Markets Bond Index (Sovereign) (the "Index"), for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the weighting of the Index when selecting Index Securities. The geographical scope and the ESG requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

- J.P. Morgan Blended Emerging Market Bond Index (Sovereign) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at www.jpmorgan.com/insights/research/index-research/composition-docs.

The ***ESG Emerging Markets Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing.

The Fund invests at least 70% of its total assets in the fixed income transferable securities of governments and government agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in, emerging markets, and included within the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Bond Index Global Diversified (the "Index" and the securities comprised within it being "Index Securities"). The Index provides the investment universe for at least 70% of the Fund's total assets. The weighting of Index Securities within the Fund's portfolio may differ from the weightings of securities within the Index, as the Fund is actively managed and does not seek to track the Index.

The Fund seeks to invest in Sustainable Investments including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below. The full spectrum of fixed income transferable securities, including non-investment grade, may be utilised. Investments in high yield fixed income transferable securities are expected to represent a significant part of the portfolio and are likely to exceed 50% of the Fund's net asset value.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of Argentina, Brazil, Ghana, Indonesia, Mexico, the Philippines, Sri Lanka, Russia, Turkey, Ukraine and Zambia, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the J.P. Morgan ESG Emerging Market Bond Index Global Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

Currency exposure is flexibly managed.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund's exposure to Distressed Securities is limited to 15% of its total assets and its exposure to contingent convertible bonds is limited to 10% of total assets.

**Risk management measure used: Relative VaR using J.P. Morgan Screened Tilted and Reweighted Emerging Markets Bond Index Global Diversified as the appropriate benchmark.**

**Expected level of leverage of the Fund: 150% of Net Asset Value.**

**ESG Policy**
In selecting such Index Securities, the Investment Adviser will, in addition to other investment criteria, take into account the ESG characteristics of the relevant issuer. The Investment Adviser will analyse which ESG factors drive an issuer's ESG credentials within the Index and its broader ESG performance.

The Index methodology assesses and ranks potential constituents according to their ESG credentials relative to their industry peers. This means that the Index provider, J.P. Morgan LLC, carries out an assessment on the sustainability and ethical impact of those constituents in accordance with its predetermined methodology. For further details please refer to https://www.jpmorgan.com/insights/research/index-research/composition-docs.

The Fund may also invest in fixed income transferable securities of an issuer which is not included in the Index at the time of purchase, but which the Investment Adviser considers to meet similar ESG criteria (in addition to other investment criteria).

In addition to the above, the Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index (as defined under the Benchmark use section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments, provided that the Fund will invest at least 70% of its total assets in fixed income (FI) securities within the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Bond Index Global Diversified (the "Index"). In doing so, the Investment Adviser will refer to the:

- J.P. Morgan Screened Tilted and Reweighted Emerging Markets Bond Index Global Diversified (the "Index") for risk

management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the weighting of the Index when selecting Index Securities. The geographical scope and the environmental, social and governance ("ESG") requirements (described below) of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

- J.P. Morgan Emerging Market Bond Index Global Diversified (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at www.jpmorgan.com/insights/research/index-research/composition-docs.

The ***ESG Emerging Markets Local Currency Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing.

The Fund invests at least 70% of its total assets in the fixed income transferable securities issued by governments of emerging markets, denominated in the local currency of such emerging markets countries and included within the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index Global Diversified (the "Index", and the securities comprised within it being the "Index Securities"). The Index provides the investment universe for at least 70% of the Fund's total assets. The weighting of Index Securities within the Fund's portfolio may differ from the weightings of securities within the Index, as the Fund is actively managed and does not seek to track the Index.

The Fund seeks to invest in Sustainable Investments including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below.

The full spectrum of fixed income transferable securities, including non-investment grade, may be utilised. Investments in high yield fixed income transferable securities are expected to represent an important part of the portfolio and are likely to exceed, depending on market conditions, 30% of the Fund's net asset value.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund may invest more than 10% (but not more than 20%) of its Net Asset Value in debt securities issued by and/or guaranteed by governments in each of Brazil, Hungary, Indonesia, Russia, Republic of South Africa and Turkey, countries which are, at the date of this Prospectus, rated non-investment grade. Such investments are based on (i) reference to the weighting that the relevant country's bond market represents of the emerging market bond universe within the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index Global Diversified (although this Fund is not an index-tracking fund, the Investment Adviser will take into account the constituent weighting of the benchmark when making investment decisions), and/or (ii) the professional judgment of the Investment Adviser, whose reasons for investment may include a favourable/positive outlook on the relevant sovereign/foreign issuer, potential for ratings upgrade and the expected changes in the value of such investments due to ratings changes. Due to market movements, as well as credit/investment rating changes, the exposures may change over time. The afore-mentioned countries are for reference only and may change without prior notice to Shareholders.

Currency exposure is flexibly managed.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 5% of total assets.

**Risk management measure used: Relative VaR using J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index Global Diversified Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 480% of Net Asset Value.**

**ESG Policy**
In selecting Index Securities, the Investment Adviser will, in addition to other investment criteria, take into account the ESG characteristics of the relevant issuer. The Investment Adviser will analyse which ESG factors drive an issuer's ESG credentials within the Index and its broader ESG performance.

The Index methodology assesses and ranks potential constituents according to their ESG credentials relative to their industry peers. This means that the Index provider, J.P. Morgan LLC, carries out an assessment on the sustainability and ethical impact of those constituents in accordance with its predetermined methodology. For further details please refer to https://www.jpmorgan.com/insights/research/index-research/composition-docs.

The Fund may also invest in fixed income transferable securities of an issuer which is not included in the Fund's benchmark index at the time of purchase, but which the Investment Adviser considers to meet similar ESG criteria (in addition to other investment criteria).

In addition to the above, the Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG

Reporting Index (as defined under the Benchmark use Section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**

The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments, provided that: the Fund will invest at least 70% of its total assets in fixed income (FI) securities within the J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index- Global Diversified (the "Index"). In doing so the Investment Adviser will refer to the:

- J.P. Morgan Screened Tilted and Reweighted Emerging Markets Government Bond Index Global Diversified (the "Index"), for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the weighting of the Index when selecting Index Securities. The geographical scope and the environmental, social and governance ("ESG") requirements (described below) of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

- J.P. Morgan Government Bond Index – Emerging Market Global Diversified (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at www.jpmorgan.com/insights/research/index-research/composition-docs.

The ***ESG Multi-Asset Fund*** follows an asset allocation policy that seeks to maximise total return in a manner consistent with the principles of environmental, social and governance "ESG" focussed investing.

The Fund invests globally in the full spectrum of permitted investments including equities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of CIS, cash, deposits and money market instruments.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

The Fund has a flexible approach to asset allocation (which includes taking indirect exposure to commodities through permitted investments, principally through derivatives on commodity indices and exchange traded funds). The Fund may invest without limitation in securities denominated in currencies other than the reference currency (Euro). The currency exposure of the Fund is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly in the PRC by investing via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. The Fund may use total return swaps that have, in accordance with its investment policy, equity or fixed income transferable securities and equity or fixed income related securities as underlying assets. Investors should refer to Appendix G for more details on the expected and maximum portion of total return swaps held by the Fund. Any ESG rating or analyses referenced above will apply only to the underlying securities of derivatives used by the Fund.

**Risk management measure used: Relative VaR using 25% MSCI World Index, 25% MSCI World Index hedged to EUR, and 50% Bloomberg Global Aggregate Bond Index hedged to EUR as the appropriate risk benchmark.**

**Expected level of leverage of the Fund: 175% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser also intends to limit investments in companies within the Global Industry Classification Standard (GICS) Oil & Gas Exploration & Production industry and companies within the Global Industry Classification Standard (GICS) Integrated Oil & Gas industry to below 5% of its total assets. The Investment Adviser also intends to limit direct investment in securities of issuers involved in the production, distribution or licensing of alcoholic products; the ownership or operation of gambling-related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials. The assessment of the level of involvement in each activity 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 Investment Adviser will exclude any issuer with a MSCI ESG rating below BBB.

The remaining companies (i.e. those companies which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

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

The Fund's ESG score will be calculated as the total of each issuer ESG score (where applicable), weighted by its market value. The Investment Adviser will create a portfolio that seeks to deliver a superior ESG outcome versus the Index and the weighted average ESG rating of the Fund will be higher than the ESG rating of the Index after eliminating at least 25% of the least well-rated securities from the Index. The Investment Adviser intends the Fund to have a carbon emissions intensity score that is lower than the Index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed with multiple asset classes and the extent to which the Fund is invested in these may vary without limit depending on market conditions and other factors at the Investment Adviser's discretion. The Investment Adviser may refer to a composite benchmark (which it believes is a fair representation of the Fund's investment universe) comprising the 25% MSCI World Index, 25% MSCI World Index hedged to EUR, and 50% Bloomberg Global Aggregate Bond Index hedged to EUR (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The components of the Index (i.e. MSCI World Index, MSCI World Index hedged to EUR, and Bloomberg Global Aggregate Bond Index hedged to EUR) may be quoted separately in marketing material related to the Fund. Further details are available on the index providers website at www.msci.com and www.bloomberg.com/professional/product/indices.

The ***Euro Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 80% of its total assets in investment grade fixed income transferable securities. At least 70% of total assets will be invested in fixed income transferable securities denominated in euro. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's total assets will be invested in accordance with the ESG Policy described below.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg Euro-Aggregate 500mm+ Bond Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 120% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index (as defined under the Benchmark use Section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index (as defined under the Benchmark use Section below).

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the:

(i) Bloomberg Euro-Aggregate 500mm+ Bond Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

(ii) Bloomberg Euro-Aggregate Index (80%) and the Bloomberg Global Aggregate Index (20%) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/.

The ***Euro Corporate Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in investment grade corporate fixed income transferable securities denominated in euro. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's total assets will be invested in accordance with the ESG Policy described below.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using ICE BofAML Euro Corporate Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index (as defined under the Benchmark use Section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the:

(i) ICE BofAML Euro Corporate Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

(ii) Bloomberg Euro-Corporate Index (80%) and the Bloomberg US Corporate Index (20%) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand.

The ***Euro High Yield Fixed Maturity Bond Fund 2027*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund uses a "buy and maintain" strategy whereby fixed income securities will be held until their fixed maturity dates as part of a low turnover strategy, (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder.

The Fund is intended to have a fixed term of up to 4 years and 2 months comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund);

ii) the "**Investment Period**": a period of 3 years immediately following the Pre Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**"**:** a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period at least 50% of its Net Asset Value is invested in high yield fixed income transferable securities, denominated in various currencies, issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe. Such fixed income securities shall, at the time of purchase, shall be rated B or BB or equivalent rating.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in securities which have average maturities of up to 4 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have average maturities of up to 3 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the potential closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 4 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/lu/individual/products/product-list.

Within 20 Business Days after the end of the Pre Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. The Fund's total assets will be invested in accordance with the ESG Policy described below.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro High Yield Fixed Maturity Bond Fund 2028*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG" focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates, (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined.

The Fund is intended to have a fixed term of up to 4 years and 2 months comprising three distinct periods namely:

i) the "**Pre-Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund);

ii) the "**Investment Period**": a period of 3 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**"**:** a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre-Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period at least 50% of its Net Asset Value is invested in high yield fixed income securities, denominated in various currencies, issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe. Such fixed income securities shall, at the time of purchase, be rated B or BB or equivalent rating.

If, during the final year of the Investment Period, the minimum requirement of 50% invested in high yield fixed income securities cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivative instruments for investment purposes, which could increase the total notional value of the portfolio's credit exposure to above 100%.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 4 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 3 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the automatic closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 4 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre-Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro High Income Fixed Maturity Bond Fund 2030*** seeks to provide a high level of income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder, unless the Investment Adviser decides, at its sole discretion, to liquidate or merge the Fund prior to such date, or to amend its investment policy.

The Fund is intended to have a fixed term of up to 4 years and 2 months, subject to any extension of the Pre-Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date cannot take place later than 4 months after the start of the Pre Investment Period,

ii) the "**Investment Period**": a period of 3 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**"**:** a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion (the "**Maturity Date**"). On the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or reposition the Fund. Investors will be informed of such decision.During the Pre-Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits,

Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period at least 40% of its Net Asset Value is invested in high yield fixed income securities denominated in various currencies and issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe, which at the time of purchase, be rated B or BB or equivalent rating.

If, during the final year of the Investment Period, the minimum requirement of 40% invested in high yield fixed income securities cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivative instruments for investment purposes, which could increase the total notional value of the portfolio's credit exposure to above 100%.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 4 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 3 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of a potential liquidation, merger or amendment of the investment policy of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 4 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre-Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. Prior to the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or amend the investment policy of the Fund. Shareholders will be informed in advance of such decision and of the consequences thereof.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro High Income Fixed Maturity Bond Fund 2031*** seeks to provide a high level of income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates, (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder, unless the Investment Adviser decides, at its sole discretion, to liquidate or merge the Fund prior to such date, or to amend its investment policy.

The Fund is intended to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre-Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date cannot take place later than 4 months after the start of the Pre Investment Period,

ii) the "**Investment Period**": a period of 4 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**"**:** a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion (the "**Maturity Date**"). On the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or reposition the Fund. Investors will be informed of such decision. During the Pre Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period at least 40% of its Net Asset Value is invested in high yield fixed income securities denominated in various currencies and issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe, which at the time of purchase, be rated B or BB or equivalent rating.

If, during the final year of the Investment Period, the minimum requirement of 40% invested in high yield fixed income securities cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals. The Fund may use financial derivatives instruments for investment purposes, which could increase the total notional value of the portfolio's credit exposure to above 100%.

During the Investment Period, the Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 5 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 4 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the potential liquidation, merger or amendment of the investment policy of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy,

provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. Prior to the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or amend the investment policy of the Fund. Shareholders will be informed in advance of such decision and of the consequences thereof.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Income Fixed Maturity Bond Fund 2029*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder.

The Fund is intended to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre-Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the

Board of Directors, provided that the Launch Date cannot take place later than 4 months after the start of the Pre Investment Period;

ii) the "**Investment Period**": a period of 4 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre-Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 60% of its Net Asset Value is invested in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members. Such fixed income securities shall, at the time of purchase, be rated investment grade;

- up to 25% of the Fund's Net Asset Value is invested in fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets, which, at the time of purchase, are rated non-investment grade. For the avoidance of doubt, this limit does not apply to instruments relating to such non-investment grade securities such as credit default swaps, currency swaps, futures and forwards.

If, during the final year of the Investment Period, the minimum requirement of 60% invested in fixed income securities rated investment grade issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold greater than 25% of its Net Asset Value in sub-investment grade fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivatives instruments for investment purposes.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 5 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 4 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the automatic closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**

Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be

automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

When investing in fixed income securities issued by companies, the Fund will apply the BlackRock EMEA Baseline Screens.

When investing in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members, the Fund will seek to invest at least 10% of these assets in Sustainable Investments. The Fund will also exclude sovereign bonds that score less than or equal to 2.0 in the BlackRock Sovereign Sustainability Index or are in the bottom quintile of the J.P. Morgan ESG sovereign scoring framework.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Income Fixed Maturity Bond Fund 2030*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates as part of a low turnover strategy (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder.

The Fund is intended to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date cannot take place later than 4 months after the start of the Pre Investment Period;

ii) the "**Investment Period**": a period of 4 years immediately following the Pre Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 60% of its Net Asset Value is invested in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members. Such fixed income securities shall, at the time of purchase, be rated investment grade; and

- up to 25% of the Fund's Net Asset Value is invested in fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets, which, at the time of purchase, are rated non-investment grade. For the avoidance of doubt, this limit does not apply to instruments relating to such non-investment grade securities such as credit default swaps, currency swaps, futures and forwards.

If, during the final year of the Investment Period, the minimum requirement of 60% invested in fixed income securities rated investment grade issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold greater than 25% of its Net Asset Value in sub-investment grade fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivatives instruments for investment purposes.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 5 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 4 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the automatic closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre-Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

When investing in fixed income securities issued by companies, the Fund will apply the BlackRock EMEA Baseline Screens.

When investing in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members, the Fund will seek to invest at least 10% of these assets in Sustainable Investments. The Fund will also exclude sovereign bonds that score less than or equal to 2.0 in the BlackRock Sovereign Sustainability Index or are in the bottom quintile of the J.P. Morgan ESG sovereign scoring framework.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Income Fixed Maturity Bond Fund 2031 II*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder, unless the Investment Adviser decides, at its sole discretion, to liquidate or merge the Fund prior to such date, or to amend its investment policy.

The Fund is intended to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre-Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date cannot take place later than 6 months after the start of the Pre Investment Period;

ii) the "**Investment Period**": a period of 4 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion (the "**Maturity Date**"). On the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or reposition the Fund. Investors will be informed of such decision.

During the Pre-Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 60% of its Net Asset Value is invested in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members. Such fixed income securities shall, at the time of purchase, be rated investment grade;

- up to 25% of the Fund's Net Asset Value is invested in fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets, which, at the time of purchase, are rated non-investment grade. For the avoidance of doubt, this limit does not apply to instruments relating to such non-investment grade securities such as credit default swaps, currency swaps, futures and forwards.

If, during the final year of the Investment Period, the minimum requirement of 60% invested in fixed income securities rated investment grade issued by a Member State of the EU, by its local authorities, by a third country or a public international body of

which one or more Member States of the EU are members cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold greater than 25% of its Net Asset Value in sub-investment grade fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivatives instruments for investment purposes.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 5 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 4 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of a potential liquidation, merger or amendment of the investment policy of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. Prior to the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or amend the investment policy of the Fund. Shareholders will be informed in advance of such decision and of the consequences thereof.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

When investing in fixed income securities issued by companies, the Fund will apply the BlackRock EMEA Baseline Screens.

When investing in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members, the Fund will seek to invest at least 10% of these assets in Sustainable Investments. The Fund will also exclude sovereign bonds that score less than or equal to 2.0 in the BlackRock Sovereign Sustainability Index or are in the bottom quintile of the J.P. Morgan ESG sovereign scoring framework.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g.

higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Income Fixed Maturity Bond Fund 2031*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund pursues a low turnover strategy whereby fixed income securities will be held until their fixed maturity dates (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder, unless the Investment Adviser decides, at its sole discretion, to liquidate or merge the Fund prior to such date, or to amend its investment policy.

The Fund is intended to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre-Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date cannot take place later than 6 months after the start of the Pre Investment Period;

ii) the "**Investment Period**": a period of 4 years immediately following the Pre-Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion (the "**Maturity Date**"). On the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or reposition the Fund. Investors will be informed of such decision

During the Pre-Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 60% of its Net Asset Value is invested in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members. Such fixed income securities shall, at the time of purchase, be rated investment grade;

- up to 25% of the Fund's Net Asset Value is invested in fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets, which, at the time of purchase, are rated non-investment grade. For the avoidance of doubt, this limit does not apply to instruments relating to such non-investment grade securities such as credit default swaps, currency swaps, futures and forwards.

If, during the final year of the Investment Period, the minimum requirement of 60% invested in fixed income securities rated investment grade issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members cannot be met without compromising the credit rating or the income target of the Fund, this minimum exposure requirement may not apply.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold greater than 25% of its Net Asset Value in sub-investment grade fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. The Fund may use financial derivatives instruments for investment purposes.

In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in fixed income securities which have a maturity of up to 5 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have maturities of up to 4 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the potential liquidation, merger, or amendment of the investment policy of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits or minimum exposure requirements set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre-Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/uk/individual/en/literature/fund-announcement/blackrock-global-funds-fund-announcement.

Within 20 Business Days after the end of the Pre-Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. Prior to the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or amend the investment policy of the Fund. Shareholders will be informed in advance of such decision and of the consequences thereof.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre-Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

When investing in fixed income securities issued by companies, the Fund will apply the BlackRock EMEA Baseline Screens.

When investing in fixed income securities issued by a Member State of the EU, by its local authorities, by a third country or a public international body of which one or more Member States of the EU are members, the Fund will seek to invest at least 10% of these assets in Sustainable Investments. The Fund will also exclude sovereign bonds that score less than or equal to 2.0 in the BlackRock Sovereign Sustainability Index or are in the bottom quintile of the J.P. Morgan ESG sovereign scoring framework.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Investment Grade Fixed Maturity Bond Fund 2027 (1)*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund uses a "buy and maintain" strategy whereby fixed income securities will be held until their fixed maturity dates as part of a low turnover strategy, (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder.

The Fund is intended to have a fixed term of up to 4 years and 2 months comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 2 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund);

ii) the "**Investment Period**": a period of 3 years immediately following the Pre Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 75% of its Net Asset Value is invested in corporate fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets and denominated in Euro. Such fixed income securities shall, at the time of purchase, be rated investment grade; and
- up to 25% of the Fund's Net Asset Value is invested in global fixed income securities which, at the time of purchase, are rated non-investment grade.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold below 75% of its Net Asset Value in investment grade (or deemed equivalent), and/or greater than 25% of its Net Asset Value in sub-investment grade or unrated, fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in securities which have average maturities of up to 4 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have average maturities of up to 3 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the automatic closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances

where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 4 years and 2 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/lu/individual/products/product-list.

Within 20 Business Days after the end of the Pre Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. The Fund's total assets will be invested in accordance with the ESG Policy described below.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including, but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Investment Grade Fixed Maturity Bond Fund 2028*** seeks to provide income, whilst also aiming to preserve the original amount of capital invested and investing in a manner consistent with the principles of environmental, social and governance "ESG"-focused investing.

The Fund uses a "buy and maintain" strategy whereby fixed income securities will be held until their fixed maturity dates as part of a low turnover strategy, (subject, among other factors, to ongoing monitoring of credit risk), when their capital will become repayable to the Fund. The Fund is therefore intended for investors who will hold Shares until they are finally redeemed upon the Maturity Date of the Fund, as defined hereunder.

The Fund is intended to have a fixed term of up to 4 years and 5 months comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 5 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund);

ii) the "**Investment Period**": a period of 3 years immediately following the Pre Investment Period including a ramp-up period of 20 Business Days, subject to the Investment Adviser's discretion to complete this within a longer time period depending on its assessment of market conditions (the "**Ramp-up Period**"); and

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion and on which the Fund will be automatically closed (the "**Maturity Date**").

During the Pre Investment Period and Ramp-up Period, the Fund will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents. The Fund may begin allocating to investment grade securities during the pre-investment period, at the discretion of the Investment Adviser.

In order to achieve its investment objective, the Fund will gradually look to build up its portfolio so that following the Ramp-up Period:

- at least 75% of its Net Asset Value is invested in corporate fixed income securities issued by companies domiciled in, or whose main business is in, global developed markets and denominated in Euro. Such fixed income securities shall, at the time of purchase, be rated investment grade; and

- up to 25% of the Fund's Net Asset Value is invested in global fixed income securities which, at the time of purchase, are rated non-investment grade.

Should the credit quality of fixed income securities held by the Fund deteriorate to below investment grade causing the Fund to hold below 75% of its Net Asset Value in investment grade (or deemed equivalent), and/or greater than 25% of its Net Asset Value in sub-investment grade or unrated, fixed income securities, the Fund may continue to hold the affected fixed income securities for a period of time, which could be three months or more, at the discretion of the Investment Adviser, in order to avoid a distressed sale of such downgraded securities.

Investment in fixed income securities may also include investments in instruments relating to such securities such as credit default swaps, currency swaps, futures and forwards. In addition, when deemed appropriate, the Fund may invest in cash equivalents such as deposits, Money Market Instruments, and units of CIS for the purpose of cash management, and to achieve its investment goals.

During the Investment Period, Fund may invest up to 50% of its Net Asset Value in securities which have average maturities of up to 4 years, measured from the start of the Investment Period, where the Investment Adviser considers it to be appropriate to the investment objective and policy of the Fund. The remainder of the securities invested in by the Fund are intended to have average maturities of up to 3 years, as measured from the start of the Investment Period.

During the Investment Period, all investment income and capital gains generated in the Fund will be reinvested back into the strategy at the discretion of the Investment Adviser and in accordance with the investment policy.

During the Post Investment Period, the Fund will invest progressively in securities (all as disclosed in this Investment Policy section) which have shorter average maturities than those invested in by the Fund during the Investment Period.

In addition, in anticipation of the automatic closure of the Fund on the Maturity Date, the Fund may be fully invested in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents for the purpose of cash management in order to redeem Shareholders on the Maturity Date in accordance with its investment policy, provided that holdings in cash shall not exceed 20% of the Fund's Net Asset Value, except during the last six months prior to the Maturity Date. For avoidance of doubt, Shareholders should note that during the Post Investment Period, the investment limits set out above in relation to the Investment Period shall no longer apply.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets. In addition, the Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

The Fund does not qualify as a money market fund within the meaning of the Money Market Funds Regulation.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 4 years and 5 months and the Maturity Date to be changed to a later date.

**Subscriptions**
Shareholders may subscribe into the Fund during the Pre Investment Period. At the end of the Pre Investment Period, the Fund will be closed to new subscriptions.

Shareholders will be notified of the closure of the Pre Investment Period and opening of the Investment Period by means of a notice published at the following link https://www.blackrock.com/lu/individual/products/product-list.

Within 20 Business Days after the end of the Pre Investment Period, Shareholders will be informed in writing of the relevant Maturity Date. The Maturity Date shall be the date on which the Post Investment Period ends, within 12 months following the end of the Investment Period, as determined by the Investment Adviser at its discretion. On the Maturity Date, the Fund will be automatically closed and Shares in the Fund will be redeemed in accordance with the redemption provisions set out in this Prospectus, as if each investor remaining in the Fund on the Maturity Date had submitted an application form prior to the Maturity Date, requesting redemption in full on the Maturity Date.

**Redemptions**
Shareholders will be able to redeem their Shares in the Fund during the Pre Investment Period, the Investment Period or the Post Investment Period in compliance with the provisions set out under the section "Redemption of Shares".

A redemption fee of up to 1% will, at the discretion of the Management Company acting in the best interests of Shareholders, be charged on Shares, on the applicable Dealing Day on which redemption is effected at all times but not including the Maturity Date.

The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. The Fund's total assets will be invested in accordance with the ESG Policy described below.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the following ESG policy following the end of the Ramp-up Period.

The Fund will apply the BlackRock EMEA Baseline Screens. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. During the Investment Period, the Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials). The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials) throughout the fixed term.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Euro Reserve Fund*** seeks to offer returns in line with money market rates consistent with preservation of capital and liquidity. The Fund invests its assets exclusively in Euro denominated short-term assets and cash in accordance with the requirements of the MMF Regulations, as summarised in Appendix A. The Fund is a short-term money market fund.

The Fund may invest up to 15% of its total assets in securitisations and asset backed commercial paper ("ABCP") that are sufficiently liquid and have received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedure.

At the discretion of the Investment Adviser, the Fund will invest in eligible reverse repurchase agreements for both liquidity management purposes and for permitted investment purposes.

The Fund may only use derivatives for the purpose of hedging the interest rate or exchange rate risks inherent in its investments. The underlying of the derivative instruments must consist of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

The Fund does not rely on external support for guaranteeing the liquidity of the Fund or stabilising the NAV per share.

**This Fund may have a material exposure to permitted securitisations and ABCPs and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments without reference to a benchmark. The Euro Short Term Rate (ESTR) should be used by investors to compare the performance of the Fund.

The ***Euro Short Duration Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 80% of its total assets in investment grade fixed income transferable securities. At least 70% of total assets will be invested in fixed income transferable securities denominated in Euro with a duration of less than five years. The average duration is not more than three years. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's total assets will be invested in accordance with the ESG Policy described below.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to**

**read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 120% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index (as defined under the Benchmark use Section below) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index (as defined under the Benchmark use Section below).

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the:

(i) Bloomberg Euro-Aggregate 500mm 1-3 Years Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope, credit rating requirements and maturity requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

(ii) Bloomberg Euro-Aggregate Index (1-3 years) (80%) and the Bloomberg Global Aggregate Index (1-3 years) (20%) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe.The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/.

The ***Euro-Markets Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in those EU Member States participating in EMU. Other exposure may include, without limitation, investments in those EU Member States that, in the opinion of the Investment Adviser, are likely to join EMU in the foreseeable future and companies based elsewhere that exercise the predominant part of their economic activity in EMU-participating countries.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and

may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so the Investment Adviser will refer to the MSCI EMU Index when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

The ***European Equity Income Fund*** seeks an above average income from its equity investments without sacrificing long term capital growth and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe. The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers having heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs (generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may take into consideration the MSCI Europe Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the

Fund. Further details are available at the index provider website at www.msci.com.

The ***European Equity Transition Fund*** seeks to maximise long-term total return. The Fund invests at least 70% of its total assets in a concentrated portfolio of equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe. These companies will be selected by the Investment Adviser based on their fundamental merit, and their ability to act as enablers, improvers or leaders of the transition to a lower carbon economy.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below and at the levels set out in its SFDR Pre-Contractual Disclosure in Appendix H.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the EU Climate Transition Benchmark Exclusions.

The Fund invests in equities or equity-related securities of companies, that contribute to the advancement of the transition theme. The Investment Adviser will identify a universe of potential investments within the following categories of companies – consistent with the principles of the transition theme:

Improvers: companies demonstrating positive progress or commitment to reducing the carbon emissions intensity of their operations;

Enablers: companies that enable and facilitate the transition to a lower carbon economy;

Leaders: companies that are already considered within their respective sectors as leaders in carbon reduction.

Having determined those companies which meet the principles of the transition theme, the Fund will further apply BlackRock's proprietary 'Transition Assessment' methodology to ensure a minimum of 80% of the Fund's total assets are invested in securities that align with the requirements for products with transition-related terms in their name under the ESMA guidelines on funds' names.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Europe Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Euro Flexible Income Bond Fund*** seeks to maximise income by primarily investing in debt and income-producing securities while seeking to maintain long term capital growth in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in various currencies, mainly in Euro denominated securities, issued by governments, agencies and companies worldwide. The full spectrum of available securities, including non-investment grade, may be utilised. The Fund's base currency is Euro and currency exposure is flexibly managed.

The Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 60% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 10% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Where the Fund uses derivatives, this may generate varying amounts of market leverage (i.e. where the Fund gains market exposure in excess of the value of its assets) and at times these levels of market leverage may be high. The use of derivatives will inevitably create leverage,

because of the required calculation method i.e. leverage is the sum or gross notional exposure created by the derivatives used. A high leverage number is not necessarily an indication of high risk.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 200% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities including limiting direct investment in securities of issuers involved in the ownership or operation of gambling related activities or facilities, production, supply and mining activities related to nuclear power and production of adult entertainment materials.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. However, investors may use the Bloomberg Euro Aggregate Bond Index to compare the performance of the Fund vs. Euro bonds (and the Investment Adviser intends to include these comparisons in its reports on the Fund from time to time). Further details are available at the index providers website at: https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/.

The ***European Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will

be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Europe Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***European High Yield Bond Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in high yield fixed income transferable securities, denominated in various currencies, issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg Pan European High Yield 3% Issuer Constrained Index EUR Hedged as the appropriate benchmark.**

**Expected level of leverage of the Fund: 70% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg Pan European High Yield 3% Issuer Constrained Index EUR Hedged (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***European Multi-Asset Income Fund*** follows a flexible asset allocation policy that seeks an above average income without sacrificing long-term capital growth. The Fund seeks to invest at least 70% of its assets, directly and indirectly through permitted investments in securities of companies domiciled in, or exercising the predominant part of their economic activity in Europe.

In order to generate income, the Fund will take a level of risk commensurate with its risk Index, referred to below. The Fund invests globally in the full spectrum of permitted investments, including equities, equity-related securities, fixed income transferable securities, units of CIS (including ETFs), derivatives, cash, deposits and Money Market Instruments. The fixed income transferable securities in which the fund invests may be issued by governments, agencies, companies and supranationals worldwide, including in emerging markets, and may be investment grade, and up to 50% of the Fund's total assets may be invested in non-investment grade or unrated. Currency exposure is flexibly managed.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

As part of its investment objective the Fund may invest up to 50% of its total assets in ABS and MBS which will typically be investment grade but may also include non-investment grade. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS and MBS, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 50% MSCI Europe Net TR in EUR and 50% Bloomberg Euro Aggregate Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 200% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser also intends to limit direct investment in securities of issuers involved in the ownership or operation of gambling-related activities or facilities; and the production of adult entertainment materials. The assessment of the level of involvement in each activity 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.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed across asset classes and the extent to which the Fund is invested in these may vary without limit depending on market conditions and other factors at the Investment Adviser's discretion. In doing so, the Investment Adviser may refer to a composite benchmark comprising 50% MSCI Europe Net TR in EUR and 50% Bloomberg Euro Aggregate Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components and weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio is expected to deviate materially from the Index. The components of the Index may be quoted separately in marketing material related to the Fund. Further details are available at the index providers website at www.bloomberg.com/professional/product/indices and www.msci.com.

The ***European Blend Equity Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activities in, Europe. The Fund invests in securities that, in the opinion of the Investment Adviser's fundamental evaluation of businesses, result in a European portfolio with blended exposures such as style factors and sectors.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and

may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Europe Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***European Sustainable Equity Fund***[3] seeks to maximise total return by investing at least 70% of its total assets in the equity securities of companies domiciled in, or whose main business is in Europe, in a manner consistent with the principles of sustainable investing.

The investment decisions are based on the Investment Adviser's fundamental research focusing on bottom up (i.e. company-specific) analysis, inclusive of financial and non-financial metrics. This approach aims to identify and select equity and equity-related securities that can, through a concentrated portfolio, reflect the Investment Adviser's conviction to deliver the Fund's investment objective. The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced below will apply only to the underlying securities of derivatives used by the Fund.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions and the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the BlackRock EMEA Baseline Screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

The Investment Adviser also intends to limit direct investment in securities of issuers involved in: the production and retail sales of alcoholic products; the ownership or operation of gambling-related activities or facilities and the production of adult entertainment materials. The assessment of the level of involvement in each activity 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 ESG criteria also consists of a rating of B or higher as defined by MSCI's ESG Intangible Value Assessment Ratings or another equivalent third party ESG data provider.

The Investment Adviser intends the Fund to have a carbon emissions intensity score at least 20% lower than its Index as defined below.

More than 90% of the issuers of securities (excluding MMFs) the Fund invests in are ESG rated or have been analysed for ESG purposes.

[3] The European Sustainable Equity Fund is not available for subscription as at the date of this Prospectus, as it is expected to be liquidated with effect from 23 September 2026.

Companies in the portfolio are then evaluated by the Investment Adviser based on their sustainability characteristics and their ability to manage ESG risks and opportunities. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

The Investment Adviser engages with companies to support improvement in their environmental, social and governance ("ESG") credentials.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. In doing so, the Investment Adviser will refer to the MSCI Europe Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In the opinion of the Investment Adviser, the Index is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. The Index measures the performance of large and mid-capitalisation companies in Europe. Further details are available at the index provider website at www.msci.com.

The ***European Value Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe. The Fund places particular emphasis on companies that are, in the opinion of the Investment Adviser, undervalued and therefore represent intrinsic investment value.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs (generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Europe Value Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. The MSCI Europe Index can also be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***FinTech Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research,

development, production and/or distribution of technologies used and applied in financial services.

The Fund will focus on companies that generate revenues from the application of technology in the financial services industry sector and/or which aim to compete with traditional methods in the operation and distribution of financial products and services.

In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation that are involved in activities including the following: payment systems, banking, investments, lending, insurance and software. Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects. The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In doing so, for risk management purposes, to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy, the Investment Adviser will refer to the FTSE Global FinTech and Blockchain Index. In the opinion of the Investment Adviser, the MSCI All Countries World Index is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Fixed Income Global Opportunities Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in various currencies issued by governments, agencies and companies worldwide. The full spectrum of available securities, including non-investment grade, may be utilised. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 100% of its total assets in ABS and MBS. ABS and MBS are debt securities backed or collateralised by the income stream from an underlying pool of assets or mortgage loans respectively. It is anticipated that a large portion of the ABS and MBS held by the Fund will have an investment grade rating, but the Fund will be able to use the full spectrum of available ABS and MBS, including non-investment grade instruments. ABS and MBS held by the Fund may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit–linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The issuers of the ABS and MBS may be companies, governments or municipalities and, more particularly, the Fund may hold MBS issued by government-sponsored enterprises ("agency MBS"). The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). Although this will not typically be the case, the ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Where the Fund uses derivatives, this may generate varying amounts of market leverage (i.e. where the Fund gains market exposure in excess of the value of its assets) and at times these levels of market leverage may be high. The use of derivatives will inevitably create leverage, because of the required calculation method i.e. leverage is the sum or gross notional exposure created by the derivatives used. A high leverage number is not necessarily an indication of high risk.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 500% of Net Asset Value. Leverage per se is not an accurate risk indicator as a higher degree of leverage does not necessarily imply a higher degree of risk. This Fund has a higher gross leverage figure than many of the other Funds due to the way in which it uses financial derivative instruments (for example, through its use of futures, swaps, options and forward contracts and short term interest rate derivatives, which can each contribute to increased leverage). In particular, short term interest rate derivatives can contribute to increased leverage due to the large notional values associated with these instruments relative to the duration exposure gained. As a result of its use of derivatives, this Fund may be more highly leveraged than other Funds. While leverage may present opportunities for increasing the Fund's total return, it also has the potential for increasing losses. The cumulative effect of the use of leverage by the Fund in a market that moves adversely to the Fund's investments could result in a loss to the Fund. Investors should note that the expected level of leverage can be exceeded in certain circumstances. Leverage, in this context is calculated as the sum or gross notional exposure created by the derivatives used.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. However, investors may use the Bloomberg Global Aggregate Bond Index (USD Hedged) (the "Index") to compare the performance of the Fund vs. global bonds (and the Investment Adviser intends to include these comparisons in its reports on the Fund from time to time).

The ***Future Of Transport Fund*** seeks to maximise total return by investing at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of technologies used and applied to transport.

The Fund will focus on companies that generate revenues from the transition to a lower carbon transportation system such as electric, autonomous and/or digitally connected vehicles. The Fund's total assets will be invested in accordance with the ESG Policy described below.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced below will apply only to the underlying securities of derivatives used by the Fund.

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions.

In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation that are involved in activities including the following: raw materials (e.g. metals and battery materials), components and computer systems (e.g. batteries and cabling), technology (e.g. vehicle sensor technology) and infrastructure (e.g. vehicle battery charging stations). The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with renewable energy and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials. The assessment of the level of engagement in each activity 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 Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI ACWI after eliminating at least 20% of the least well-rated securities from the index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In doing so, the Investment Adviser will refer to a composite benchmark comprising the STOXX Global Lithium and Battery Producers Index (33.33%), the NYSE FactSet Global Autonomous Driving and Electric Vehicle Open Index (33.33%) and the STOXX Global Electric Vehicle & Driving Technology Index (33.33%) (the "Benchmark") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy. In the opinion of the Investment Adviser, the MSCI All Countries World Index ("MSCI ACWI") is a fair representation of the Fund's investment universe and should be used by investors to compare

the performance of the Fund. The MSCI ACWI measures the performance of large and mid-capitalisation stocks across developed and emerging markets countries. Further details are available at the index provider website at www.msci.com/acwi.

The ***Global Allocation Fund*** seeks to maximise total return. The Fund invests globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits. In normal market conditions the Fund will invest at least 70% of its total assets in the securities of corporate and governmental issuers. The Fund generally will seek to invest in securities that are, in the opinion of the Investment Adviser, undervalued. The Fund may also invest in the equity securities of small and emerging growth companies. The Fund may also invest a portion of its debt portfolio in high yield fixed income transferable securities. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly in the PRC by investing via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 36% S&P 500 Index, 24% FTSE World Index (Ex-US), 24% ICE BofAML Current 5Yr US Treasury Index, 16% FTSE Non-USD World Government Bond Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 140% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will take into consideration a composite benchmark comprising the S&P 500 (36%); FTSE World (ex-US) (24%); ICE BofAML Current 5 Yr US Treasury Index (24%) and FTSE Non-USD World Government Bond Index (16%) (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. In addition, given the fund's ability to invest in global stocks and global bonds, investors may use the FTSE World Index to compare the performance of the Fund vs. global equities and the FTSE World Government Bond Index to compare the performance of the Fund vs. global bonds (and the Investment Adviser intends to include these comparisons in its reports on the Fund from time to time). Further details are available at the index providers website at www.spglobal.com/spdji/, www.ftserussell.com/products/indices/russell-us and www.ice.com.

The ***Global Bond Income Fund*** seeks to maximise income without sacrificing long term capital growth. The Fund invests at least 70% of its total assets in fixed income transferable securities denominated in various currencies issued by governments, government agencies, companies and supranationals worldwide, including in emerging markets. In order to maximise income the Fund will seek diversified income sources across a variety of such fixed income transferable securities. The full spectrum of available fixed income securities may be utilised, including investment grade, non-investment grade and unrated. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 60% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit–linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 200% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments without reference to a benchmark. However, investors may use the Bloomberg Global Aggregate Bond Index (USD Hedged) (the "Index") to compare the performance of the Fund vs. global bonds (and the Investment Adviser intends to include these comparisons in its reports on the Fund from time to time).

The ***Global Corporate Bond Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in investment grade corporate fixed income securities issued by companies worldwide. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 20% in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg Global Aggregate Corporate Bond USD Hedged Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 200% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg Global Aggregate Corporate Bond USD Hedged Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***Global Dynamic Equity Fund*** seeks to maximise total return. The Fund invests globally, with no prescribed country or regional limits, at least 70% of its total assets in equity securities. The Fund will generally seek to invest in securities that are, in the opinion of the Investment Adviser, undervalued. The Fund may also invest in the equity securities of small and emerging growth companies. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using MSCI All Countries World Index (MSCI ACWI) as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to MSCI All Countries World Index (MSCI ACWI) (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not

included in the Index in order to take advantage of specific investment opportunities. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Global Equity Income Fund*** seeks an above average income from its equity investments without sacrificing long term capital growth in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, developed markets. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities, In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI All Country World Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Global Government Bond Fund*** seeks to maximise total return, in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing. The Fund invests at least 70% of its total assets in investment grade fixed income transferable securities issued by governments and their agencies worldwide. Currency exposure is flexibly managed.

The Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond principles) and "Green, Social and Sustainability" (GSS) bonds issued by governments and agencies of, and companies, where the proceeds of such GSS bonds are tied to green and socially responsible projects.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 30% of the Fund's total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using FTSE World Government Bond USD Hedged Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 400% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the FTSE World Government Bond USD Hedged Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the credit rating and issuer requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***Global High Yield Bond Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in high yield fixed income transferable securities. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using ICE BofA Merrill Lynch Global High Yield Constrained USD Hedged Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 60% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the ICE BofA Merrill Lynch Global High Yield Constrained USD Hedged Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ice.com.

The ***Global Inflation Linked Bond Fund*** seeks to maximise real return. The Fund invests at least 70% of its total assets in inflation-linked fixed income transferable securities that are issued globally. The Fund may invest in fixed income transferable securities which are investment grade or non-investment grade (up to a limit of 10% of total assets). Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

It is intended that the maturity of the majority of the fixed income securities held by the Fund will be less than 20 years. However, since the Fund is actively managed, it still has the flexibility to invest in fixed income securities which have a maturity profile outside of the 1 to 20 years range.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg World Government Inflation-Linked 1-20yr Index USD Hedged as the appropriate benchmark.**

**Expected level of leverage of the Fund: 350% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg World Government Inflation-Linked 1-20yr Index USD Hedged (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***Global Listed Infrastructure Fund*** seeks to maximise long term total returns. The Fund invests at least 70% of its total assets in infrastructure companies globally that are facilitating, enabling and leading the transition to a low carbon economy. The Fund's primary investment universe will be in the areas of electricity and gas networks, water networks, transportation infrastructure, renewable energy; and communications infrastructure (telecommunication towers, data centres and satellites).

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may

also invest in emerging markets. The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers with exposures that do not meet the transition criteria below.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below and at the levels set out in its SFDR Pre-Contractual Disclosure in Appendix H.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will invest in line with the principles of the transition theme as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of infrastructure companies with large, medium and small market capitalization. The Fund will invest at least 70% of its assets in equities or equity-related securities of infrastructure companies, that contribute to the advancement of the transition theme in any of these three categories:

Improvers: companies demonstrating positive progress or commitment to reducing the carbon emissions intensity of their operations;

Solutions Providers: companies that enable and facilitate the transition to a lower carbon economy. These companies may be assessed on how they facilitate the reduction of carbon (e.g. companies providing electricity grids that provide the transmission and distribution of renewable energy) or enable the transition to net zero. They may be assessed at an individual company level where such date is available, or they may be assessed at a global industry level on whether their industry enables other companies to transition;

Peer Group Leaders: companies that are already considered within their respective sectors as leaders in carbon reduction.

Further, the Fund will apply a custom ESG screen which incorporates multiple components. First, a screen is used to limit or exclude direct investment (as applicable) in corporate issuers which, in the opinion of the Investment Adviser: have any exposure to, or ties with, controversial weapons or conventional weapons; the production, distribution, licensing, retail or supply of tobacco or tobacco-related products; the production or distribution of firearms or small arms ammunitions intended for retail civilians; are deemed to have failed to comply with one or more of the ten United Nation Global Compact Principles ("UNGC"), which cover human rights, labour standards, the environment and anti-corruption. The assessment of the level of involvement in each activity 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 Investment Adviser also intends to limit direct investment in securities of issuers involved in the extraction of, or the generation of power using, thermal coal or tar sands (also known as oil sands). However, the Investment Adviser may invest in the securities of issuers with higher levels of revenue from these activities if the issuer has committed to a net zero transition plan and its forward-looking capital expenditure plans do not include investment in new coal- powered generation assets.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the FTSE Developed Core Infrastructure 50/50 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy.

The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund.

The ***Global Long-Horizon Equity Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally, with no prescribed country, regional or capitalisation limits, at least 70% of its total assets in equity securities. The Fund may invest in equity securities that, in the opinion of the Investment Adviser, have a sustained competitive advantage and will typically be held over a long-term horizon. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this

analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may refer to the MSCI All Country World Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Global Multi-Asset Income Fund*** follows a flexible asset allocation policy that seeks an above average income without sacrificing long term capital growth. The Fund invests globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of CIS, cash, deposits and money market instruments. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly in the PRC by investing via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 50% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 50% MSCI World Index / 50% Bloomberg Global Aggregate Bond Index USD Hedged as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed and the asset classes and the extent to which the Fund is invested in these may vary without limit depending on market conditions and other factors at the Investment Adviser's discretion. The Investment Adviser may refer to a composite benchmark comprising MSCI World Index (50%) and Bloomberg Global Aggregate Bond Index USD Hedged (50%) (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. The components of the Index (i.e. MSCI World Index and Bloomberg Aggregate Bond Index USD Hedged) may be quoted separately in marketing material related to the Fund. Further details are available on the index provider websites at www.msci.com and www.bloomberg.com/professional/product/indices.

The ***Global Smaller Companies Fund*** seeks to maximise long-term total returns. The Fund invests at least 70% of its total assets

in the equity securities of smaller capitalisation companies domiciled in or exercising the predominant part of their economic activity in developed markets which, in the opinion of the Investment Adviser, have above-average growth prospects.

Smaller capitalisation companies are those whose market capitalisations (market capitalisation is the share price of the company multiplied by the number of shares issued) are similar to those of companies in the MSCI World Small Cap Index at the time of the Fund's investment.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may refer to the MSCI World Small Cap Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the market capitalisation requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index has been chosen by the Investment Adviser because it has determined it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the Index provider website at www.msci.com.

The ***Global Securitised Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG")-focused investing. The Fund invests in tranches of global Securitised Assets (as defined below) that are rated investment grade at the time of purchase.

The Fund will invest at least 80% of its total assets in fixed income transferable securities mainly in Securitised Assets. This 80% ratio may include, on a temporary basis and for liquidity management purposes the holding of cash and near cash instruments. The types of Securitised Assets in which the Fund may invest include, but are not limited to, ABS, RMBS, Agency MBS, CMBS, and CLOs. The Fund may invest up to 30% of its total assets in CLOs.

The Fund will invest in both new issuances and secondary offerings of such Securitised Assets. The interest rate attached to Securitised Assets may be fixed or floating.

"Securitised Assets" are debt securities where the payment of interest and principal depends on the cash flows generated by a segregated pool of underlying assets. These underlying assets are secured or unsecured debt obligations such as residential mortgages, commercial real estate mortgages, auto loans, credit card receivables, corporate loans, and other types of debt. Securitised Assets are normally issued with multiple classes of differing seniority (tranches) such that credit risk and weighted average life (or term) of the most senior class is typically less than the most junior tranche. Securitised Assets can include embedded derivatives, such as interest rate and foreign exchange swaps to hedge any mismatch between the underlying assets and the debt securities.

Where a Securitised Asset is subsequently downgraded it may, in the Investment Adviser's discretion, continue to be held by the Fund for a period to avoid a distressed sale.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund's currency exposure is flexibly managed. It is intended that the Fund will hedge non-USD exposure back to USD, the base currency of the Fund. It is possible that, from time to time, a significant portion of the Fund may be invested in securities from a particular geographical region.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**This Fund may have significant exposure to ABS, RMBS, Agency MBS, CMBS, and CLOs, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply an ESG investing policy (as described below) when selecting the securities to be held directly by the Fund, and in doing so, the Fund aims to meet the environmental and social criteria referred to below.

A minimum of 80% of the Fund's total assets will be invested in assets that are aligned with the environmental and/or social criteria. This 80% ratio may include, on a temporary basis and for liquidity management purposes the holding of cash and near cash instruments.

A maximum of 20% of the portfolio may consist of assets that are not aligned with such environmental and social criteria. Such assets will include only cash and cash equivalents (other than the Institutional Cash Series plc LEAF), derivatives and Unscreened CLO Issuers (as later defined).

**Proprietary ESG externalities framework**
The Investment Adviser categorizes securities by their "externalities". Externalities are defined as the cost (or benefit) to a third party from an action undertaken by a different party. According to the Investment Adviser's proprietary ESG framework, the parties taking action are 'issuers' and the third party bearing the cost (or benefit) is broader society and the environment.

The four categories of issuers by their "externalities" are as follows:

- "Positive externalities" or "PEXT": Issuers or securities associated with some positive environmental or social impact, highlighted as preferred holdings. Includes lower carbon emitting issuers and issuers with positive ESG credentials.

- "Baseline externalities" or "BEXT": Issuers or securities that do not have any explicit positive impact characteristics but have no associated negative externalities either, are defined as neutral. Includes average carbon emitting issuers and those with neutral ESG credentials.

- "Discussion externalities" or "DEXT": Where externalities of issuers or securities are unclear or potentially marginally negative (e.g. because of inadequate disclosures or limited track record),

- "Negative externalities" or "NEXT": Issuers associated with manifestly negative environmental or social impact that are consequently avoided for ESG portfolios.

The Fund will invest at least 50% of its portfolio in securities classified by the Investment Adviser as PEXT or BEXT. This 50% ratio may include, on a temporary basis and for liquidity management purposes the holding of cash and near cash instruments

The Fund will not purchase securities classified by the Investment Adviser as "NEXT". If a security held by the Fund is reclassified by the Investment Adviser as NEXT after the point of purchase, the Fund will divest of such security as soon as reasonably possible and practicable without requiring a forced or distressed sale.

Securities eligible for investment by the Fund that are not classified by the Investment Adviser as PEXT, BEXT or NEXT shall be classified as DEXT.

**Additional screens for CLOs**
The Investment Adviser intends to limit, to the extent sufficient data is available to do so, direct investment in CLO issuers which are identified as being involved in certain activities as summarized below, namely CLO issuers which:

- are engaged in, or are otherwise exposed to, the production of controversial weapons (including cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons);

- derive any revenue from direct involvement in the production of nuclear weapons, nuclear weapon components or delivery platforms or the provision of auxiliary services related to nuclear weapons;

- Produce, or are exposed to issuers that produce, civilian firearms and/or civilian small arms ammunitions intended for retail to civilians;

- have themselves, or whose underlying issuers have, been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption);

- are engaged in the production of tobacco;

- have in aggregate more than 5% of their assets exposed to issuers which individually derive more than 5% of their revenues from retail distribution of small arms intended for civilian use;

- have in aggregate more than 5% of their assets exposed to issuers which individually derive more than 5% of their revenues from thermal coal extraction or power generation, or. oil tar sands production (also known as oil sands);

- have in aggregate more than 5% of their assets exposed to issuers which individually derive more than 5% of their revenues from. tobacco distribution, retail, and supply of certain tobacco-related products; and

- have in aggregate more than 5% of their assets exposed to issuers which individually derive more than 5% of their revenues from adult entertainment materials or services.

The additional screens for CLOs will be applied to CLO issuers only to the extent that sufficient ESG data is available. Where sufficient data is not available to screen a CLO issuer (an "**Unscreened CLO Issuer**"), the Fund may hold the Unscreened CLO Issuer provided such Unscreened CLO Issuers, together with cash, cash equivalents (excluding Institutional Cash Series plc LEAF) and derivatives do not comprise more than 20% of the assets of the Fund. In applying the ESG investing policy, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments without reference to any benchmark. The ICE BofA Fixed Rate ABS Master Index should be used by investors to compare the performance of the Fund.

The ***Global Unconstrained Equity Fund*** seeks to achieve long term capital growth. The Fund will take into account the principles of environmental social and governance ("ESG") criteria in its investments selection.

The Fund invests at least 80% of its total assets in equity securities and equity-related securities (namely American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs)) of companies domiciled in, or exercising a significant part of their economic activity in, global developed markets. ADRs and GDRs are investments issued by financial institutions which give exposure to underlying equity securities. These instruments will be listed or traded on regulated markets.

The Fund's assets will be invested in accordance with the ESG Policy described below.

Although most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets and namely in:

- equity securities and equity related securities (namely ADRs and GDRs) of companies domiciled in, or exercising a significant part of their economic activity in, global emerging markets;

- cash and/or cash equivalents (such as term deposits and bank certificates), liquid government debt instruments and Money

Market Instruments (including certificates of deposit, commercial paper and bankers acceptances); and

- other CIS, including exchange-traded funds (where the objectives of such CIS are consistent with its objective or for efficiently managing cash holdings and/or collateral). The Fund may not invest more than 10% of its Net Asset Value in other CIS.

Investment decisions are based on company-specific research to identify and select equity securities that, in the opinion of the Investment Adviser, have a viable competitive advantage and the potential to produce attractive long-term capital growth. The Fund's portfolio is expected to be concentrated (i.e. it is expected to hold relatively few stocks in comparison to other funds), but there is no guarantee that this will always be the case.

The Fund may use derivatives for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Manager may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. The Fund has an unconstrained investment style (i.e. it will not take a benchmark index into account when selecting the Fund's investments). However, the Investment Adviser uses the MSCI World Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy (including, in particular, its unconstrained investment style). The Investment Adviser is not bound by the components or weighting of the Index when selecting investments, nor is the Index reflective of the Fund's ESG Policy. The Fund's portfolio holdings are expected to deviate materially from the Index. Further information on the Index can be found at www.msci.com. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Impact Bond Fund***[2] seeks to achieve capital growth and income over the long term (at least five consecutive years) by investing in a global portfolio of fixed income instruments which have a positive social and/or environmental impact.

The Fund invests globally at least 80% of its total assets in "impact" investments which are those made with the intention to generate positive, measurable social and/or environmental impact alongside a financial return. This includes, but is not limited to, "Green, Social and Sustainability" (GSS) bonds where the proceeds of such GSS bonds are tied to green and socially responsible projects. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes including, but not limited to, bonds from companies which have social and/or environmental impact characteristics that the Investment Adviser has at its discretion deemed to be impactful and bespoke impact MBS pools. The Fund may invest in the full spectrum of available fixed income securities, including non-investment grade. Currency exposure is flexibly managed.

For the selection of GSS bonds, the Investment Adviser will analyse the use of proceeds of the issues and the issuer framework for alignment of the bonds with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) of the International Capital Markets Association to determine suitability within the investment universe. Investment decisions will be based on issuer specific research (such as sovereign and credit analysis comprising a multi factor framework assessing global, country and issuer specific risk to determine issuers' ability and willingness to pay over the long term) to identify and select the GSS bonds and other fixed income securities that, in the opinion of the Investment Adviser, have the potential to produce attractive long-term returns whilst also being consistent with the United Nations Sustainable Development Goals ("UN SDGs"). The UN SDGs are a series of goals published by the United Nations which recognise that ending poverty and other deprivations must go hand-in-hand with improvements in health, education, and economic growth, reduction in inequalities, all whilst tackling climate change and working to preserve the planet's

[2] The Impact Bond Fund is not available for subscription as at the date of this Prospectus, as it is expected to be liquidated with effect from 23 September 2026.

oceans and forests, as set out in more detail on the UN website: https://www.un.org/sustainabledevelopment/sustainable-development-goals. The Fund will aim to diversify its investments across issuers that have an impact on people and the planet (the "Impact Categories") across themes including, but not limited to, affordable housing, education and skilling, financial and digital inclusion, public health, safety and security, efficiency, electrification and digitalisation, green energy, pollution remediation and prevention, sustainable food, water and waste.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR. using ICE Green, Social & Sustainable Bond Index, EUR hedged as the appropriate benchmark.**

**Expected level of leverage of the Fund: 250% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS (including exchange traded funds) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. The Fund has an unconstrained investment style (i.e. it will not take a benchmark index into account when selecting the Fund's investments). The ICE Green, Social & Sustainable Bond Index, EUR hedged (the "Index") should be used by investors to compare the performance of the Fund over the long term. The Index measures the performance of GSS bonds across global markets. The Investment Adviser refers to the Index for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. Further details are available at the index provider website at www.ice.com.

The ***India Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, India.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI India TR Net 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment

opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Japan Flexible Equity Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in or exercising the predominant part of their economic activity in, Japan. The Fund normally invests in securities that, in the opinion of the Investment Adviser, exhibit either growth or value investment characteristics, placing an emphasis as the market outlook warrants. The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI Japan Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Japan Small & MidCap Opportunities Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of small and mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in, Japan. Small and mid capitalisation companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of Japanese stock markets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see

further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the S&P Japan Mid Small Cap Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and market capitalisation requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available on the index provider website at www.spglobal.com/spdji/.

The ***Latin American Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Latin America.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI EM Latin America 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***MENA Bond Fund*** seeks to maximise total return. The Fund invests at least 80% of its total assets in the fixed income transferable securities (including Sukuk) of governments and agencies of, and companies domiciled or exercising the predominant part of their economic activity in eligible countries of the Middle East and North Africa (MENA) region which includes Saudi Arabia, United Arab Emirates, Qatar, Oman, Bahrain, Egypt, Kuwait, Morocco, Iraq, Jordan, Lebanon, Algeria, and Tunisia. The Fund invests at least 70% of its total assets in transferable securities denominated in US dollars. The Fund may invest in the full spectrum of available securities, including non-investment grade. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 10% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 10% of its total assets.

As part of its overall fixed income strategy, the Fund may invest in Sukuk (including Sovereign Sukuk) which qualify as transferable securities within the meaning of the 2010 Law. The Fund is not managed in accordance with the Shari'ah.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Relative VaR using the Bloomberg Emerging Markets USD Aggregate: MENA Bond Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 150% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg Emerging Markets

USD Aggregate: MENA Bond Index (the "Index") and will refer to the Index when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index has been chosen because the Investment Adviser has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices

The ***Multi-Theme Equity Fund*** seeks to achieve capital growth over the long term (at least five consecutive years) in a manner consistent with the principles of environmental, social and governance (ESG) investing.

The Fund is an actively managed fund of funds. It will seek to achieve its investment objective by obtaining exposure, in respect of at least 80% of its total assets, to global equities and equity-related securities, both indirectly, through investment in units of UCITS managed by an affiliate of the BlackRock Group, and by investing directly in equity and equity-related securities and derivatives.

The Fund may invest in other Funds in the Company. The conditions applicable to investment in other Funds in the Company are set out in Appendix A, paragraph 2.4 of this Prospectus.

The Fund will not be subject to any geographic restrictions and may obtain indirect exposure to equities of companies located in developed markets and emerging markets globally. In practice the Fund may have a high allocation to particular countries or sectors at any one time.

The Fund will allocate strategically to longer-term investment opportunities intended to provide exposure to long-term themes (explained below) with the aim of gaining exposure to five global "Megatrends" (explained below) identified by the Investment Adviser. The Fund will maintain the ability to adjust these exposures tactically based on the Investment Adviser's assessment of market conditions.

The Fund will also allocate tactically to shorter-term investment opportunities on the basis of shorter-term thematic trends (explained below), where such investments may provide attractive risk and return characteristics or demonstrate better relative performance in the short term.

The five "Megatrends" are key transformative forces which are changing the global economy, in the opinion of the Investment Adviser. These are technological innovation (e.g. technology which aims to address large-scale challenges such as climate change or bring better alternatives to existing markets such as payments or streaming), demographics and social change (growth opportunities for businesses based on e.g. skills imbalance and ageing populations in advanced economies), rapid urbanization (growth opportunities for businesses arising from the significant needs of growing cities, e.g. communication networks and housing), climate change and resource scarcity (e.g. producers of sustainable energy and providers of substitutes to scarce materials) and emerging global wealth (growth opportunities for businesses arising from increasing consumer spending power in various parts of the world).

"Themes" and "Thematic trends" refers to major trends which may enable the identification of short-, medium- and long-duration investment opportunities which are derived from fundamental (i.e. judgement-based) research into drivers of the global economy and interpretation of the major economic, political and social developments that may have an impact on asset risks and returns.

The Investment Adviser will refer to qualitative (i.e. judgement-based) and quantitative (i.e. mathematical or statistical) research analysing a wide range of economic data and market behaviour, with a focus on the five Megatrends and a range of other "thematic trends". The research may be produced by the Investment Adviser or another member of the BlackRock Group, or by a third party.

The currency exposure of the Fund is flexibly managed.

The Fund is a QFI Access Fund and a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the QFI regime and/or via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers with exposures that do not meet the ESG criteria described below.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will invest at least 80% of total assets in CIS qualifying as Article 8 or 9 of the SFDR Regulation which pursue a positive ESG objective or outcome or comprised of bonds issued by governments that have an ESG sovereign rating of at least BB (as defined by third party ESG data vendors).

The Fund will seek to invest at least 20% of its total assets in Sustainable Investments. The Investment Adviser also intends the Fund to deliver exposure to Sustainable Investments that is higher than the MSCI All Countries World Index.

The Investment Adviser will analyse all the securities in the underlying investment universe to assess their contribution to environmental and social objectives. The assessment of the level of alignment in each activity is based on percentage of revenue and a defined total revenue threshold.

The Fund will maintain a minimum exposure to investments that specifically support climate objectives.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Investment Adviser has discretion to select the Fund's

investments and is not constrained by any benchmark in this process. The MSCI All Countries World Index and the MSCI All Countries World Index Mid Cap Growth Net Index (the "Index") should be used by investors to compare the performance of the Fund. Investors may use the Index for the purposes of measuring performance of the Fund against the relevant commitments set out in the ESG policy. Further details are available on the index provider website at www.msci.com.

The ***MyMap Cautious Fund*** seeks to provide investors with a total return, taking into account both capital and income returns, through an actively managed, multi-asset portfolio, whilst targeting a cautious risk profile.

The Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities, alternative assets, cash and near-cash instruments. Exposure to these asset classes will be achieved through investment in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including, but not limited to, exchange traded funds and index funds managed by an affiliate of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

The Fund will seek to maintain a cautious risk profile of the Fund's portfolio. The Fund will vary its underlying asset exposure in different market conditions. Given the cautious risk profile of the Fund, under normal market conditions the Fund will seek a lower exposure to equity securities, compared to a fund with a higher risk profile which would normally seek to have a lower exposure to fixed income securities. The fixed income exposure of the Fund will comprise mainly investment grade rated (but may also comprise non-investment grade or unrated) fixed and floating rate global government and corporate fixed income securities / bonds. The equity exposure will comprise mainly large and mid-capitalisation companies globally. It is not expected that the Fund's exposure to emerging markets will exceed 25% of its assets.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***MyMap Growth Fund*** seeks to provide investors with a total return, taking into account both capital and income returns, through an actively managed, multi-asset portfolio, whilst targeting a growth risk profile.

The Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities, alternative assets, cash and near-cash instruments. Exposure to these asset classes will be achieved through investment in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including but not limited to, exchange traded funds and index funds managed by an affiliate of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

The Fund will seek to maintain a growth risk profile of the Fund's portfolio. The Fund will vary its underlying asset exposure in different market conditions. Given the growth risk profile of the Fund, under normal market conditions the Fund will seek a higher exposure to equity securities, compared to a fund with a lower risk profile which would normally seek to have a higher exposure to fixed income securities. The fixed income exposure of the Fund will comprise mainly investment grade rated (but may also comprise non-investment grade or unrated) fixed and floating rate global government and corporate fixed income securities / bonds. The equity exposure will comprise mainly large and mid-capitalisation companies globally. It is not expected that the Fund's exposure to emerging markets will exceed 25% of its assets.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***MyMap Moderate Fund*** seeks to provide investors with a total return, taking into account both capital and income returns, through an actively managed, multi-asset portfolio, whilst targeting a moderate risk profile.

The Fund will seek to achieve its investment objective by obtaining indirect exposure to a broad range of asset classes, which may include equity and equity-related securities, fixed income and fixed income-related securities, alternative assets, cash and near-cash instruments. Exposure to these asset classes will be achieved through investment in shares or units of a concentrated portfolio of CIS (which themselves invest in a diversified portfolio of assets), including but not limited to exchange traded funds and index funds managed by an affiliate of the BlackRock Group and where determined appropriate, the Fund may invest directly in derivatives and near-cash instruments.

The Fund will seek to maintain a moderate risk profile of the Fund's portfolio. The Fund will vary its underlying asset exposure in different market conditions. Given the moderate risk profile of the Fund, under normal market conditions the Fund will seek a higher exposure to equity securities, compared to a fund with a lower risk profile which would normally seek to have a higher exposure to fixed income securities. The fixed income exposure of the Fund will comprise mainly investment grade rated (but may also comprise non-investment grade or unrated) fixed and floating rate global government and corporate fixed income securities / bonds. The equity exposure will comprise mainly large and mid-capitalisation companies globally. It is not expected that the Fund's exposure to emerging markets will exceed 25% of its assets.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process.

The ***Natural Resources Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the natural resources sector, such as, but not limited to, companies engaged in mining, energy and agriculture.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the S&P Global Natural Resources Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available on the index provider website at www.spglobal.com/spdji/.

The ***Next Generation Technology Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of new and emerging technology.

The Fund will focus on next generation technology themes including artificial intelligence, computing, automation, robotics, technological analytics, e-commerce, payment systems, communications technology and generative design.

In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation. Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The Investment Adviser will refer to the MSCI ACWI SMID Growth/Information Technology Index for risk management purposes to ensure that the active risk (i.e. degree of deviation from the MSCI ACWI SMID Growth/ Information Technology Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the MSCI ACWI SMID Growth/Information Technology Index when selecting investments. The MSCI All Countries World Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com/acwi.

The ***Step Into Equity High Income Fund 2030*** seeks to provide a positive total return, defined as a mix of capital growth and income, by adopting a transitioning investment strategy that provides exposure to an increasing level of equity securities relative to fixed

income securities over the Fund's Investment Period (as defined below).

The Fund will seek to achieve its investment objective by implementing an evolving 4-year investment strategy. The Fund will provide up to 100% exposure to fixed income securities during the Pre Investment Period and start of the Investment Period, while gradually evolving the asset allocation to provide up to 100% exposure to equity securities at the end of the Investment Period, as further detailed below. Exposure to these asset classes will be achieved through, but not limited to, investment in equity and fixed income securities as well as share or units of CIS.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via Stock Connects.

The Fund is expected to have a fixed term of up to 5 years and 2 months, subject to any extension of the Pre Investment Period (as defined below), comprising three distinct periods namely:

i) the "**Pre Investment Period**": an initial subscription period of up to 4 months from a date to be determined by the Board of Directors upon creation of the Fund until the date on which the Fund is launched (the "**Launch Date**" of the Fund), subject to any postponement of the Launch Date at the discretion of the Board of Directors, provided that the Launch Date takes place no later than 6 months after the creation of the Fund.

During the Pre Investment Period, the Fund may hold up to 100% of its Net Asset Value in debt securities, units of CIS (including Money Market Funds), Money Market Instruments, cash, deposits, and other cash equivalents.

ii) the "**Investment Period**": a period of 4 years following the Pre Investment Period including a ramp-up period of 20 Business Days (the "Ramp-Up Period"), during which the Investment Adviser will invest the Fund's assets in accordance with its strategic asset allocation. The length of the Ramp-Up Period is subject to the Investment Adviser's discretion based on its assessment of market conditions, and provided that the Pre Investment Period and the Ramp-Up Period together do not exceed 6 months and 20 Business Days.

During the Investment Period the allocation between fixed income asset classes and equity securities will evolve dynamically over time, based on the following two elements:

(a) a pre-defined step up of equity risk in the strategic asset allocation of the portfolio over the Investment Period (this strategic asset allocation will change every quarter over four years by incrementally increasing the equity allocation and correspondingly reducing the fixed income allocation). See "Benchmark use" section below for an indication of allocation over time, actual allocation may vary depending on market conditions; and

(b) active asset allocation at all times to dynamically adjust exposures to various asset classes in the portfolio to reflect forward-looking market fundamentals and other investment insights in relation to these, and other asset classes at the Investment Adviser's discretion.

iii) the "**Post Investment Period**": a period of up to 12 months following the Investment Period, ending on a date determined by the Investment Adviser at its discretion (the "**Maturity Date**"). On the Maturity Date, the Investment Adviser will decide, at its sole discretion, to liquidate, merge or reposition the Fund. Investors will be informed of such decision.

The Investment Adviser retains discretion to shorten or extend the Pre Investment Period, the Investment Period and the Post Investment Period, including but not limited to circumstances where the exercise of the suspension of the determination of the Net Asset Value, or the issue and redemption of Shares in the Fund, causes the term of the Fund to extend beyond 5 years and 2 months and the Maturity Date to be changed to a later date.

The Fund will not have a geographical or sector focus but may have a high allocation to particular countries or sectors at any one time. The Fund will mainly invest in developed markets but may also have exposure to emerging markets. The asset allocation of the Fund is intended to be flexible to allow the Fund to allocate across countries and maintain the ability to adjust its exposures as market conditions dictate.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Where the Fund uses derivatives, this may generate varying amounts of market leverage (i.e. where the Fund gains market exposure in excess of the value of its assets) and at times these levels of market leverage may be high. The use of derivatives will inevitably created leverage, because of the required calculation method i.e. leverage is the sum or gross notional exposure created by the derivatives used.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

**Risk management measure used: Commitment Approach**

**Benchmark use**

The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. The Investment Adviser will refer to an evolving benchmark (the "Benchmark") for portfolio construction and risk management purposes to ensure that the active risk (i.e. degree of deviation from the Benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Benchmark will evolve from Bloomberg Euro Aggregate 1-5 Year Index at Launch Date to 100% MSCI ACWI Minimum Volatility with Developed Markets 50% Hedged to EUR Index by the end of the Investment Period. During the Investment Period, the Fund's Benchmark will be adjusted quarterly to reflect the strategic shift from fixed income to equity investments, with a corresponding increase in equity exposure and reduction in fixed income holdings, such that the weights of the components at each anniversary of the Launch Date will be as outlined below. The Investment Adviser is not bound by the components or weighting of the Benchmark when selecting investments:

| Year | Fixed Income component: Bloomberg Euro Aggregate 1-5 Year Index | Equity component: MSCI All Countries World Minimum Volatility with Developed Markets 50% Hedged to EUR Index |
|---|---|---|
| Launch date | 100% | 0% |
| End of Year 1 | 75% | 25% |
| End of year 2 | 50% | 50% |
| End of Year 3 | 25% | 75% |
| End of year 4 | 0% | 100% |

Further details are available at the index provider website at www.bloomberg.com/professional/product/indices and www.msci.com.

The ***Sukuk Fund*** seeks to maximise total return through a combination of income and capital growth on the Fund assets. The Fund invests at least 70% of its total assets in USD denominated investment grade Sukuk issued by sovereign, quasi-sovereign, corporate and supranational entities. The securities include issuers labelled as Sukuk and compliant with the AAOIFI Standards.

All securities selected by the Investment Adviser are screened by IdealRatings and are deemed compliant with the Shari'ah principles, as further detailed in section "Investments in a Shari'ah Fund" of the Appendix A. The Shari'ah Panel, appointed by the Investment

Adviser, will be in charge of ascertaining the compliance of the Fund's operations with Shari'ah.

In the rare event that any non-Shari'ah compliant income is nonetheless received by the Fund, such income will be excluded from the Fund's Net Asset Value and donated to approved charities for purification purposes, as further detailed in section "Purification of non-Shari'ah compliant Income.

The Fund's exposure to contingent convertible bonds is limited to 10% of its total assets and its exposure to Distressed Securities is limited to 5% of its total assets.

Any such investments will be strictly limited to structures that have been reviewed and approved as Shari'ah-compliant by the appointed Shari'ah Panel.

**The Fund may invest in Shari'ah-compliant derivatives for investment purposes or for efficient portfolio management purposes subject to approval by the Shari'ah Panel. Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the J.P.Morgan USD Aggregate Sukuk IG Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index has been chosen by the Investment Adviser because it has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the Index provider website at www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Sustainable Energy Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of sustainable energy companies. Sustainable energy companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with alternative energy and energy technologies and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

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

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Any ESG rating or analyses referenced will apply only to the underlying securities of derivatives used by the Fund.

**ESG Policy**
The Fund will apply the EU Paris-Aligned Benchmark Exclusions.

The Fund will not invest in companies that are classified in the following industries (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas. The assessment of the level of engagement in each activity or industry 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 Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI ACWI after eliminating at least 20% of the least well-rated securities from the index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. In doing so, the Investment Adviser will refer to a composite benchmark comprising the MSCI World Equal Weighted Index (33.34%), the S&P Global Clean Energy Transition Index (33.33%), the STOXX Global Lithium and Battery Producers Index (11.11%), NYSE FactSet Global Autonomous Driving and Electric Vehicle Open Index (11.11%) and STOXX Global Electric Vehicle & Driving Technology Index (11.11%) for risk management purposes, to ensure that the active risk (i.e. degree of deviation from the Benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy. In the opinion of the Investment Adviser, the MSCI All Countries World Index (MSCI ACWI) is a fair representation of the Fund's investment universe and should be used by investors to compare the performance of the Fund. The MSCI ACWI measures the performance of large and mid-capitalisation stocks across developed and emerging markets countries. Further details are available at the index provider website at www.msci.com/acwi.

The ***Sustainable Global Allocation Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing. The Fund invests globally in equity, debt and short term securities, of both corporate and governmental issuers, with no prescribed limits. In normal market conditions the Fund will invest at least 70% of its total assets in the securities of corporate and governmental issuers. The Fund generally will seek to invest in securities that are, in the opinion of the Investment Adviser, undervalued. The Fund may also invest in the equity securities of small and emerging growth companies. The Fund may also invest a portion of its debt portfolio in high yield fixed income transferable securities. Currency exposure is flexibly managed.

The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

The Fund is a Stock Connect Fund and may invest directly in the PRC by investing via the Stock Connects. The Fund is a CIBM Fund and may gain direct exposure to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time. The Fund may invest up to 20% in aggregate of its total assets in the PRC via the Stock Connects, the Foreign Access Regime and/or Bond Connect.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets. The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using 60% MSCI All Country World Index, 40% Bloomberg Global Aggregate Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 140% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The ESG policy reduces the investment universe of the Fund by 25%. For the purposes of measuring this reduction only, MSCI All Country World Index and Bloomberg Global Aggregate Index are

used to define the investment universe and are reduced separately.

The Investment Adviser intends the Fund to have a lower carbon emissions intensity score than the Index.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will take into consideration a composite benchmark comprising the MSCI All Country World Index (60%) and Bloomberg Global Aggregate Index (40%) (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy.

The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The components of the Index may be quoted separately in marketing material related to the Fund. Further details are available at the index providers website at www.msci.com and www.bloomberg.com/professional/product/indices

The ***Swiss Small & MidCap Opportunities Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of small and mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in, Switzerland. Small and mid capitalisation companies are considered companies which, at the time of purchase, are not members of the Swiss Market Index.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs (generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the SPI Extra Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.six-group.com.

The ***Systematic Asia Pacific Equity High Income Fund*** seeks to generate a high level of income and provide capital growth. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Asia Pacific.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund may, on an opportunistic basis, in response to evolving market conditions, or for liquidity management purposes, invest the remaining portion of the portfolio across the full capital structure of companies and in the broad range of permitted assets, including (without limitation) fixed-income transferable securities, equities, equity-related instruments, units of collective investment undertakings, cash, deposits and money market instruments.

The Fund is a Stock Connect Fund and may invest directly up to 20% in aggregate of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may refer to the MSCI All Country Asia Pacific Index (the "Index") for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index has been chosen because the Investment Adviser has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com

The ***Systematic China A-Share Opportunities Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in a portfolio of equity securities of companies domiciled in, or exercising the predominant part of their activity in the People's Republic of China (PRC). The Fund is a QFI Access Fund and a Stock Connect Fund and may invest without limit in the PRC via the QFI regime and/or via the Stock Connects. For the purpose of the investment objective, the PRC excludes Hong Kong and Macau Special Administrative Regions and Taiwan and accordingly the Fund will invest only in onshore Chinese equity markets (A-Shares).

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Important Note: please note that the liquidity of Chinese equity markets is particularly unpredictable. Investors should read the "Liquidity Risk" and "Investments in the PRC" sections of the "Risk Considerations" section of this Prospectus and the "Suspension and Deferral" section of Appendix B of this Prospectus prior to investing in this Fund.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI China A Onshore Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Systematic China Environmental Tech Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or the main business of which is in, the People's Republic of China (PRC) in the industries and supply chain of new energy, carbon neutral, green energy, energy conservation and emission reduction themes. The Fund will have a flexible allocation between onshore and offshore Chinese equity markets. The Fund may invest in the Chinese equity markets through the Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect. In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund seeks to invest in in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

The Fund is a Stock Connect Fund and a QFI Access Fund and may invest without limit in the PRC via the Stock Connects and/or via the QFI regime. The Fund will have a flexible allocation between onshore and offshore Chinese equity markets. Currency exposure is flexibly managed.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens and the EU Paris-Aligned Benchmark Exclusions.

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

The Investment Adviser will create a portfolio that seeks to deliver a superior ESG score versus the Index.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to MSCI China All Share IMI Environmental 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. Further details are available at the index provider website at www.msci.com.

The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The MSCI China All Shares Index should be used by investors to compare the performance of the Fund.

The ***Systematic Multi Allocation Credit Fund*** seeks to provide a positive return (net of fees) over a composite benchmark comprising (in equal proportion) Bloomberg Global Aggregate Corporate USD Hedged Index, Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index and J.P. Morgan Screened, Tilted & Reweighted Emerging Markets Bond Index Global Diversified USD Hedged Index, by investing at least 70% of its total assets in a globally diversified range of investment grade and non-investment grade (i.e. securities which have a relatively low credit rating or which are unrated) fixed income securities (i.e. both government and corporate bonds).

The Fund may also invest in debt related securities (for example, credit bonds issued by government agencies, supranational entities (e.g. the International Bank for Reconstruction and Development) and local authorities, or hybrid securities (i.e. financial securities which combine both debt and equity characteristics such as convertible bonds). The Fund may also invest in other asset classes to give the Fund the best chance of achieving its investment objective and/or for liquidity purposes. These other asset classes include CIS, cash, assets that can be turned into cash quickly and deposits.

The Fund will use a broadly rules based active approach (i.e. an investment approach involving a clear set of pre-determined rules designed to ensure a consistent, transparent and disciplined investment process incorporating data-driven inputs (which may relate to economics, valuation, price and positioning)). The Investment Adviser will use macro-economic data (i.e. data based on the whole economy as opposed to individual asset data), asset valuations and price and positioning based indicators (i.e. indicators employed by the Investment Adviser to analyse investor holdings and changes in these holdings over time, in order to assess investor demand and risk appetite in respect of specific asset classes) to determine asset allocation. The Investment Adviser will adjust the Fund's asset allocation (at its discretion), compared to the benchmark indices, in order to achieve the Fund's overall investment objective.

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

With respect to the investment grade and high yield corporate debt securities portion of the Fund's portfolio, the Investment Adviser will also apply additional ESG criteria when selecting the investments to be held by the Fund.

In relation with investment grade corporate debt securities, the ESG criteria applied by the Fund consists of (i) achieving a carbon emission intensity score lower and (ii) an ESG score higher than the Bloomberg Global Aggregate Corporate USD Hedged Index. The Bloomberg Global Aggregate Corporate USD Hedged Index represents the investment grade corporate debt securities portion of the Fund's index composite benchmark. In relation with high yield corporate debt securities, the criteria applied by the Fund consists of (i) achieving a carbon emission intensity score lower and (ii) an ESG score higher than the Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index. The Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index represents the high yield corporate debt securities portion of the Fund's index composite benchmark.

In relation to the emerging debt issuers, the Fund will invest in issuers that consists of the component securities of the J.P. Morgan Screened, Tilted & Reweighted-Emerging Markets Bond Index Global Diversified Index (the Index). It is expected that this portion of the Fund's assets will be invested in either issuers within the Index or in issuers that meet the ESG selection criteria of the Index.

By investing in the constituents of the Index, the Fund's investment strategy enables it to comply with the ESG requirements of its 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 issuers cease to form part of the Index and it is possible and practicable to liquidate the position.

The Fund's ESG score will be calculated as the total of each investment grade and high yield corporate debt securities' ESG score (where applicable), weighted by its market value. The ESG score of the respective benchmarks will be calculated using the ESG scores of the investment grade corporate debt securities portion of the Bloomberg Global Aggregate Corporate USD Hedged Index and the high yield corporate debt securities portion of the Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index. These scores may be quoted for individual asset classes or allocation weighted in marketing material.

The Fund's exposure to non-investment grade fixed income securities is limited to 90% of its total assets.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Relative VaR using Bloomberg Global Aggregate Corporate USD Hedged Index, Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index and J.P. Morgan Screened, Tilted & Reweighted Emerging Markets Bond Index Global Diversified USD Hedged Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 100% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed. The Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. A composite benchmark made up of the following indices in equal proportion: Bloomberg Global Aggregate Corporate USD Hedged Index, Bloomberg Global High Yield Index Excl CMBS & EMG 2% Capped USD Hedged Index and J.P. Morgan Screened, Tilted & Reweighted Emerging Markets Bond Global Diversified USD Hedged Index should be used by investors to compare the performance of the Fund. The Investment Adviser may also refer to this composite benchmark for risk management purposes to ensure that the active risk (i.e. degree of deviation from the benchmark) taken by the Fund remains appropriate given the Fund's investment objective and policy. Further details are available at the index providers website at www.bloomberg.com/professional/product/indices and www.jpmorgan.com/insights/global-research/index-research/composition-docs.

The ***Systematic Global Equity High Income Fund*** seeks to generate a high level of income. The Fund invests globally, with no prescribed country or regional limits, at least 70% of its total assets in equity securities.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so may take into consideration the MSCI ACWI Minimum Volatility Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. Further details are available at the index provider website at www.msci.com.

The ***Systematic Global Income & Growth Fund*** seeks to provide income and capital growth from its investments in a manner consistent with the principles of environmental, social and governance "ESG" focused investing.

In order to achieve its investment objective the Fund will invest globally, directly and indirectly, in the full spectrum of permitted investments including on average, typically two thirds of its total assets in equities and one third of its total assets in fixed income transferable securities (also known as debt securities which may include the Fund investing up to 20% of its total assets in some high yield fixed income transferable securities), as well as investing in units of CIS, cash, deposits and money market instruments. The Fund will not be subject to prescribed country or regional limits and although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

To evaluate a company at the time of purchase using the Fund's ESG methodology, multiple areas are focused on: environmental, social and governance outcomes, expected returns (including ESG return drivers), risk and transaction costs, as determined through

proprietary research. In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic approach to stock selection. This means that stocks will be selected and weightings allocated based on their ESG attributes and on forecasts of return, risk and transaction costs.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Investment Adviser may also consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers depending on the particular ESG strategy applicable to the Fund.

The Investment Adviser will create a portfolio that seeks to deliver a superior ESG outcome versus the Index and the weighted average ESG score of the Fund will be higher than the ESG score of the Index. The Investment Adviser also intends the Fund to have a lower carbon emissions intensity score by at least 30% relative to the Index.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may take into consideration a composite benchmark comprising 33.3% MSCI World Minimum Volatility Index, 33.3% MSCI All Country World Index, 16.7% BBG Global Aggregate Corporate Index and 16.7% BBG Global High Yield Corp ex Emerging Markets Index Hedged in USD (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components and weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index. Further details are available at the index providers website at www.msci.com and www.bloomberg.com/professional/product/indices.

The ***Systematic Global SmallCap Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of smaller capitalisation companies in a manner consistent with the principles of environmental, social and governance ("ESG") investing. Smaller capitalisation companies are considered companies which, at the time of purchase, form the bottom 20% by market capitalisation of global stock markets. Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in the emerging markets of the world. Currency exposure is flexibly managed.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund will apply the BlackRock EMEA Baseline Screens and seeks to invest in Sustainable Investments. The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's ESG score will be calculated as the total of each issuer ESG score (where applicable), weighted by its market value.

The Investment Adviser intends the Fund to have a lower carbon emissions intensity score than its Index.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may refer to the MSCI ACWI Small Cap Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the market capitalisation requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***Systematic Islamic GCC Equity Fund*** seeks to provide long term capital growth by investing at least 80% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in GCC countries.

The Fund will aim to invest in publicly listed equity securities within the Shari'ah-compliant investment universe of the Index (as defined below). The Fund may invest in initial public offerings (i) whose shares are not included in the investment universe of the Index at the time of investment, (ii) which the Investment Adviser has a reasonable expectation will be included into the Index in the near future. The Fund may also invest in other CIS, including exchanged traded funds which have been screened and approved by the Shari'ah Panel prior to such investments, ensuring compliance with the Shari'ah principles. While investing in securities not comprised in the Index, the Investment Adviser will ensure that these have been screened and approved by the

Shari'ah Panel prior to such investments, ensuring compliance with the Shari'ah principles

The Shari'ah Panel, appointed by the Investment Adviser, will be in charge of ascertaining the compliance of the Fund's operations with Shari'ah. All securities selected by the Investment Adviser within the investment universe of the Index are included within the Index according to the Shari'ah screening methodology used by the Index provider, as detailed in section "Investments in a Shari'ah Fund" of the Appendix A, and are deemed compliant with the Shari'ah principles.

The Fund may invest in Shari'ah-compliant derivatives for investment purposes or for efficient portfolio management purposes subject to approval by the Shari'ah Panel.

As the Fund is approved by the CMA as a Saudi Qualified Foreign Investors under the Saudi Qualified Foreign Investors Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the Saudi Qualified Foreign Investors Rules and Saudi Capital Markets Law. As Approved Saudi Qualified Foreign Investors are not permitted under the current Saudi Qualified Foreign Investors Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying derivatives (e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in derivatives, the Fund as a Saudi Qualified Foreign Investors will only be able to invest in derivatives that have non-Saudi listed securities as the underlying security.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the S&P GCC Composite Shariah Capped Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy will limit the extent to which the portfolio holdings will deviate from the Index. The Index has been chosen by the Investment Adviser because it has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the Index provider website at www.spglobal.com/spdji/en/indices/equity/sp-saudi-arabia-domestic-shariah/#overview.

The ***Systematic Islamic Saudi Arabia Equity Fund*** seeks to provide long term capital growth by investing at least 80% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Saudi Arabia.

The Fund will aim to invest in publicly listed equity securities within the Shari'ah-compliant investment universe of the Index (as defined below). The Fund may invest in initial public offerings (i) whose shares are not included in the investment universe of the Index at the time of investment, (ii) which the Investment Adviser has a reasonable expectation will be included into the Index in the near future. The Fund may also invest in other CIS, including exchanged traded funds which have been screened and approved by the Shari'ah Panel prior to such investments, ensuring compliance with the Shari'ah principles. While investing in securities not comprised in the Index, the Investment Adviser will ensure that these have been screened and approved by the Shari'ah Panel prior to such investments, ensuring compliance with the Shari'ah principles.

The Shari'ah Panel, appointed by the Investment Adviser, will be in charge of ascertaining the compliance of the Fund's operations with Shari'ah. All securities selected by the Investment Adviser within the investment universe of the Index are screened by the Index provider's methodology and are deemed compliant with the Shari'ah principles, as further detailed in section "Investments in a Shari'ah Fund" of the Appendix A.

The Fund may invest in Shari'ah-compliant derivatives for investment purposes or for efficient portfolio management purposes subject to approval by the Shari'ah Panel.

As the Fund is approved by the CMA as a Saudi Qualified Foreign Investors under the Saudi Qualified Foreign Investors Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the Saudi Qualified Foreign Investors Rules and Saudi Capital Markets Law. As Approved Saudi Qualified Foreign Investors are not permitted under the current Saudi Qualified Foreign Investors Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying derivatives e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in derivatives, the Fund as a Saudi Qualified Foreign Investors will only be able to invest in derivatives that have non-Saudi listed securities as the underlying security.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the S&P Saudi Arabia Shariah Capped Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy will limit the extent to which the portfolio holdings will deviate from the Index. The Index has been chosen by the Investment Adviser because it has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the Index provider website at https://www.spglobal.com/spdji/en/indices/equity/sp-saudi-arabia-shariah-5-10-40-capped-index.

The ***Systematic Nasdaq Equity High Income Fund*** seeks to generate a high level of income and provide capital growth. The

Fund invests at least 70% of its total assets in the equity securities of companies that are part of the Nasdaq 100 Index.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Fund may, on an opportunistic basis, in response to evolving market conditions, or for liquidity management purposes, invest the remaining portion of the portfolio across the full capital structure of companies and in the broad range of permitted assets, including (without limitation) fixed-income transferable securities, equities, equity-related instruments, units of collective investment undertakings, cash, deposits and money market instruments.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Nasdaq 100 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Index has been chosen because the Investment Adviser has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.nasdaq.com

The ***United Kingdom Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies incorporated or listed in the UK.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the FTSE All-Share Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***US Basic Value Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the US. The Fund places particular emphasis on companies that are, in the opinion of the Investment

Adviser, undervalued and therefore represent basic investment value.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Russell 1000 Value Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***US Dollar Bond Fund*** seeks to maximise total return. The Fund invests at least 80% of its total assets in investment grade fixed income transferable securities. At least 70% of the Fund's total assets are invested in fixed income transferable securities denominated in US dollars. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 100% of its total assets in ABS and MBS. ABS and MBS are debt securities backed or collateralised by the income stream from an underlying pool of assets or mortgage loans respectively. It is anticipated that a large portion of the ABS and MBS held by the Fund will have an investment grade rating but the Fund will be able to utilise the full spectrum of available ABS and MBS, including non-investment grade or not instruments. ABS and MBS held by the Fund may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The issuers of the ABS and MBS may be companies, governments or municipalities and, more particularly, the Fund may hold MBS issued by government-sponsored enterprises ("agency MBS"). The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). Although this will not typically be the case, the ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Where the Fund uses derivatives, this may generate varying amounts of market leverage (i.e. where the Fund gains market exposure in excess of the value of its assets) and at times these levels of market leverage may be high. The use of derivatives will inevitably create leverage, because of the required calculation method i.e. leverage is the sum or gross notional exposure created by the derivatives used. A high leverage number is not necessarily an indication of high risk.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg US Aggregate Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 300% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg US Aggregate Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the currency and credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***US Dollar High Yield Bond Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in high yield fixed income transferable securities denominated in US dollars. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

As part of its investment objective the Fund may invest up to 20% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and

student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to Distressed Securities is limited to 10% of its total assets and its exposure to contingent convertible bonds is limited to 20% of total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**This Fund may have a material exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg US High Yield 2% Constrained Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 20% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg US High Yield 2% Constrained Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the currency requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***US Dollar Reserve Fund*** seeks to offer returns in line with money market rates consistent with preservation of capital and liquidity. The Fund invests its assets exclusively in US dollar denominated short-term assets and cash in accordance with the requirements of the MMF Regulations, as summarised in Appendix A. The Fund is a short-term money market fund.

The Fund may invest up to 15% of its total assets in securitisations and asset backed commercial paper ("ABCP") that are sufficiently liquid and have received a favourable assessment pursuant to the Internal Credit Quality Assessment Procedure.

At the discretion of the Investment Adviser, the Fund will invest in eligible reverse repurchase agreements for both liquidity management purposes and for permitted investment purposes.

The Fund may only use derivatives for the purpose of hedging the interest rate or exchange rate risks inherent in its investments. The underlying of the derivative instruments must consist of interest rates, foreign exchange rates, currencies or indices representing one of those categories.

The Fund does not rely on external support for guaranteeing the liquidity of the Fund or stabilising the NAV per share.

**This Fund may have a material exposure to permitted securitisations and ABCPs and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments without reference to any benchmark. The Secured Overnight Financing Rate (SOFR) should be used by investors to compare the performance of the Fund.

The ***US Dollar Short Duration Bond Fund*** seeks to maximise total return. The Fund invests at least 80% of its total assets in investment grade fixed income transferable securities. At least 70% of the Fund's total assets are invested in fixed income transferable securities denominated in US dollars with a duration of less than five years. The average duration is not more than three years. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

As part of its investment objective the Fund may invest up to 100% of its total assets in ABS and MBS whether investment grade or not. The ABS and MBS will generally be issued in the US, the securitised assets will be rated investment grade by at least one of the leading credit rating agencies and agency ABS and MBS will carry the same credit rating as the US Government. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Absolute VaR.**

**Expected level of leverage of the Fund: 350% of Net Asset Value.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the ICE BoAML 1-3 Year U.S . Government/Corporate Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the currency, credit rating and maturity requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ice.com.

The ***US Flexible Equity Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the US. The Fund normally invests in securities that, in the opinion of the Investment Adviser, exhibit either growth or value investment characteristics, placing an emphasis as the market outlook warrants.

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

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities, In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Russell 1000 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of

deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***US Growth Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the US. The Fund places particular emphasis on companies that, in the opinion of the Investment Adviser, exhibit growth investment characteristics, such as above-average growth rates in earnings or sales and high or improving returns on capital.

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

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities, In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Russell 1000 Growth Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***US Mid-Cap Value Fund*** seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in, the US. Mid capitalisation companies are considered companies which, at the time of purchase, have market capitalisations in the range of companies included in the Russell Midcap Value Index.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Russell Midcap Value Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographical scope and market capitalisation requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***World Bond Fund*** seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") focused investing. The Fund invests at least 70% of its total assets in investment grade fixed income transferable securities. Currency exposure is flexibly managed.

The Fund is a CIBM Fund and may gain direct exposure for no more than 20% of its total assets to onshore bonds distributed in Mainland China in the CIBM via the Foreign Access Regime and/ or Bond Connect and/or other means as may be permitted by the relevant regulations from time to time.

The Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and its total assets will be invested in accordance with the ESG Policy described below.

As part of its investment objective the Fund may invest up to 50% of its total assets in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to Shareholders. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly.

The Fund's exposure to contingent convertible bonds is limited to 20% of total assets. The Fund's exposure to Distressed Securities is limited to 10% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**This Fund may have significant exposure to ABS, MBS and non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations".**

**Risk management measure used: Relative VaR using Bloomberg Global Aggregate USD Hedged Index as the appropriate benchmark.**

**Expected level of leverage of the Fund: 350% of Net Asset Value.**

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg Global Aggregate USD Hedged Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the credit rating requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.bloomberg.com/professional/product/indices.

The ***World Energy Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the exploration, development, production and distribution of energy.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI World Energy 30% Buffer 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***World Financials Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is financial services.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI ACWI Financials Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***World Gold Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is gold-mining. It may also invest in the equity securities of companies whose predominant economic activity is other precious metal or mineral and base metal or mineral mining. The Fund does not hold physical gold or metal.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. The FTSE Gold Mines Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***World Healthscience Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in healthcare, pharmaceuticals, medical technology and supplies and the development of biotechnology. Currency exposure is flexibly managed.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing, the Investment Adviser will refer to the MSCI World Health Care Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***World Islamic Gold Fund*** seeks to maximise total returns. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is gold-mining. The Fund may also invest in the equity securities of companies whose predominant economic activity is other precious metals or mineral and base metal or mineral mining. The Fund does not hold physical gold or metal.

The Fund will invest in publicly listed equity securities selected by the Investment Adviser from an eligible investment universe that has been screened and approved by the Shari'ah Panel prior to such investments, in accordance with Shari'ah principles.

The Shari'ah Panel, appointed by the Investment Adviser, will be ascertaining the compliance of the Fund's operations with Shari'ah.

All securities selected by the Investment Adviser are reviewed and reassessed on a quarterly basis by the Shari'ah Panel to confirm if the portfolio holdings remain compliant with the Shari'ah principles, as further detailed in section "Investments in a Shari'ah Fund" of the Appendix A.

The Shari'ah Panel will provide monthly dividend purification ratios, which will be applied by the Fund's fund accountant on a daily basis to calculate the pure and impure portions of income, taking into account dividends declared on ex-date. In accordance with

Shari'ah principles, in the event that any impure income is received by the Fund, such income will be segregated and donated to

charitable organisations in accordance with the Fund's purification process, as further described in section "Purification of Non-Shari'ah Compliant Income.

The Fund may invest in Shari'ah-compliant derivatives for investment purposes or for efficient portfolio management purposes subject to approval by the Shari'ah Panel.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the NYSE Arca Gold Miners Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy]. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the

Index in order to take advantage of specific investment opportunities. The Index has been chosen by the Investment Adviser because it has determined that it is representative of the investment universe of the Fund and should be used by investors to compare the performance of the Fund, subject to the impact of the Shari'ah compliance principles on such investment universe. Further details are available at the Index provider website at https://www.nyse.com/quote/index/GDM/.

The ***World Mining Fund*** seeks to maximise total return. The Fund invests globally at least 70% of its total assets in the equity securities of mining and metals companies whose predominant economic activity is the production of base metals and industrial minerals such as iron ore and coal. The Fund may also hold the equity securities of companies whose predominant economic activity is in gold or other precious metal or mineral mining. The Fund does not hold physical gold or metal.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund's exposure to contingent convertible bonds is limited to 5% of its total assets.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI ACWI Metals & Mining 30% Buffer 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

The ***World Real Estate Securities Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the real estate sector. This may include residential and / or commercial real estate focused companies as well as real estate operating companies and real estate holding companies (for example, real estate investment trusts).

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**ESG Policy**
The Fund will apply the BlackRock EMEA Baseline Screens.

The Fund promotes climate change mitigation efforts by seeking to achieve a reduction in one-year average carbon footprint compared to the corresponding average carbon footprint, three-years prior (e.g. the average carbon footprint in 2024 will be compared to the one in 2021). The carbon footprint is defined as the total carbon emissions (scope 1 and 2) of a portfolio normalized by its market value, represented in tons of CO2 per million dollars invested.

The Fund may gain limited indirect exposure (through, including but not limited to, derivatives) to issuers that do not meet the ESG criteria described above.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Risk management measure used: Commitment Approach.**

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the FTSE EPRA/Nareit Developed Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the

performance of the Fund. Further details are available at the index provider website at www.ftserussell.com/products/indices/russell-us.

The ***World Technology Fund*** seeks to maximise total return and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the technology sector.

The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management.

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

**Risk management measure used: Commitment Approach.**

**ESG Policy**
Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

Please refer to the SFDR disclosures on page 56 for further details of the ESG commitments made by the Fund.

**Benchmark use**
The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the MSCI AC World Information Technology 10/40 Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the industry sector requirements of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by investors to compare the performance of the Fund. Further details are available at the index provider website at www.msci.com.

**New Funds or Share Classes**
The Directors may create new Funds or issue further Share Classes. This Prospectus will be supplemented to refer to these new Funds or Classes.

## Classes and Form of Shares

Shares in the Funds are divided into Class A, Class AI, Class AJ, Class B, Class C, Class CI, Class D, Class DD, Class E, Class EI, Class I, Class J, Class K, Class S, Class SI, Class SR, Class X, Class Z and Class ZI Shares, all representing different charging structures. Shares are further divided into Distributing and Non-Distributing Share classes. Non-Distributing Shares do not pay dividends, whereas Distributing Shares pay dividends. See section "Dividends" for further information.

**Class A Shares**
Class A Shares are available to all investors as Distributing and Non-Distributing Shares and are issued in registered form and global certificate form. Unless otherwise requested, all Class A Shares will be issued as registered shares.

**Class AI Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class AI Shares are available only in Italy through specific distributors selected by the Management Company and the Principal Distributor (details of which may be obtained from the local Investor Servicing team). Class AI Shares are available as Distributing and Non-Distributing Shares and are issued as registered shares and global certificates. Unless otherwise requested, all Class AI Shares will be issued as registered shares.

**Class AJ Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class AJ Shares are available only through specific distributors and countries selected by the Management Company and the Principal Distributor (details of which may be obtained from the local Investor Servicing team).

Class AJ Shares are available as Distributing and Non-Distributing Shares and are issued as registered shares and global certificates. Unless otherwise requested, all Class AJ Shares will be issued as registered shares.

**Class B Shares**
Class B Shares are available as Distributing and Non-Distributing Shares to clients of certain distributors (which provide nominee facilities to investors) and to other investors at the discretion of the Management Company. Class B Shares are available as registered shares only.

A CDSC is charged on Class B Shares, as described in further detail in paragraph 19. of Appendix B.

Class B Shares will automatically convert without any fees into Class A Shares of the same Fund three years from the date of the original subscription in the relevant Class B Shares.

In addition, during the three years since the original subscription, Shareholders of the Class B Shares are entitled to exchange those Shares for Class B Shares of any other Fund without any CDSC fee.

For the purposes of determining the amount of the applicable CDSC, the length of time that the Shareholder has owned the Shares will be measured from the date they acquired the original Class B Shares subject to a CDSC and this will not be affected by a subsequent exchange in another Class B Share, as described in further detail in paragraph 19. of Appendix B.

**Class C Shares**
Class C Shares are available as Distributing and Non-Distributing Shares to clients of certain distributors (which provide nominee facilities to investors) and to other investors at the discretion of the Management Company. Class C Shares are available as registered shares only.

A CDSC is charged on Class C Shares, as described in further detail in paragraph 19. of Appendix B.

**Class CI Shares**
Class CI Shares are available as Distributing and Non-Distributing Shares to clients of certain distributors (which provide nominee facilities to investors) and to other investors at the discretion of the Management Company. Class CI Shares are available as registered shares only.

**Class D Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class D Shares are intended for providers of independent advisory services or discretionary investment management, or other distributors who: (i) provide investment services and activities as defined by the MiFID II Directive; and (ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment from the relevant Fund in relation to those services and activities. Class D Shares are not intended for providers of independent advisory services or discretionary portfolio management services that are subject to German law according to the German Banking Act (§ 32 KWG), in relation to those services conducted in Germany.

Class D Shares are available as Distributing and Non-Distributing Shares and are issued as registered shares and global certificates. Unless otherwise requested, all Class D Shares will be issued as registered shares.

**Class DD Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class DD Shares are intended for providers of independent advisory services or discretionary portfolio management services that are subject to German Banking Act (§ 32 KWG), in relation to those services conducted in Germany.

Class DD Shares are available as Distributing and Non-Distributing Shares and are issued as registered shares and global certificates. Unless otherwise requested, all Class DD Shares will be issued as registered shares.

**Class E Shares**
Class E Shares are available in certain countries, subject to the relevant regulatory approval, through specific distributors selected by the Management Company and the Principal Distributor (details of which may be obtained from the local Investor Servicing team). They are available as Distributing and Non-Distributing Shares, and are issued as registered shares and global certificates for all Funds. Unless otherwise requested, all Class E Shares will be issued as registered shares.

**Class EI Shares**
Class EI Shares are available in certain countries, subject to the relevant regulatory approval, through specific distributors selected by the Management Company and the Principal Distributor (details of which may be obtained from the local Investor Servicing team). They are available as Distributing and Non-Distributing Shares, and are issued as registered shares and global certificates for all Funds. Unless otherwise requested, all Class EI Shares will be issued as registered shares.

**Class I Shares**
Class I Shares are available as Distributing and Non-Distributing Shares to Institutional Investors and are issued as registered shares and global certificates. Unless otherwise requested, all Class I Shares will be issued as registered shares. They are only available at the Management Company's discretion.

Class I Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law. Investors must demonstrate that they qualify as Institutional Investors by providing the Company and its Transfer Agent with sufficient evidence of their status.

On application for Class I Shares, Institutional Investors indemnify the Company and its functionaries against any losses, costs or expenses that the Company or its functionaries may incur by acting in good faith upon any declarations made or purporting to be made upon application.

**Class J Shares**
Class J Shares are offered to funds established for the benefit of Japanese investors, or other funds at the discretion of the Management Company. Class J Shares are available as Distributing and Non-Distributing Shares. No management fees are payable in respect of Class J Shares (instead a fee will be paid to the Management Company or affiliates under an agreement).

Unless otherwise requested, all Class J Shares will be issued as registered shares.

Class J Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law. Investors must demonstrate that they qualify as Institutional Investors by providing the Company and its Transfer Agent with sufficient evidence of their status.

On application for Class J Shares, Institutional Investors indemnify the Company and its functionaries against any losses, costs or expenses that the Company or its functionaries may incur by acting in good faith upon any declarations made or purporting to be made upon application.

**Class K Shares**
Class K Shares are available as Distributing and Non-Distributing Shares to clients of certain Italian-based distributors (which provide nominee facilities to investors) and to other investors at the discretion of the Management Company. Class K Shares are available as registered shares only.

A CDSC is charged on Class K Shares. On redemption of Class K Shares, the relevant CDSC rate is charged on the price of the redeemed shares on the Dealing Day for redemption, calculated in the relevant Dealing Currency of the redeemed shares.

For the purposes of determining the amount of the applicable CDSC, the length of time that the Shareholder has owned the Shares will be measured from the date they acquired the original Class K Shares subject to a CDSC. As described in further detail in section "Fees, Charges and Expenses" sub-section "Contingent Deferred Sales Charge" on page 167 of the Prospectus, the CDSC is levied by reference to the "Relevant Holding Period", which is an aggregate of the periods during which (a) the redeemed shares, and (b) the shares from which they were derived (if any) as a result of conversion or exchange, were held in a "Fixed Maturity Fund."

**Class S Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class S Shares are intended for providers of independent advisory services or discretionary investment management, or other distributors who: (i) provide investment services and activities as defined by the MiFID II Directive; and (ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment from the relevant Fund in relation to those services and activities. Class S Shares are not intended for providers of independent advisory services or discretionary portfolio management services that are subject to German law according to the German Banking Act (§ 32 KWG), in relation to those services conducted in Germany. Class S Shares are available as Distributing and Non-Distributing Shares and are issued as registered shares and global certificates. Unless otherwise requested, all Class S Shares will be issued as registered shares. Class S Shares are only available to investors who have entered into a separate agreement with the relevant entity of the BlackRock Group.

**Class SI Shares**
Class SI Shares are available as Non-Distributing and Distributing Shares, to Institutional Investors and are issued as registered shares. Unless otherwise requested, all Class SI Shares will be issued as registered shares. They are only available at the Management Company's discretion.

Class SI Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law. Investors must demonstrate that they qualify as Institutional Investors by providing the Company and its Transfer Agent with sufficient evidence of their status.

On application for Class SI Shares, Institutional Investors indemnify the Company and its functionaries against any losses, costs or expenses that the Company or its functionaries may incur by acting in good faith upon any declarations made or purporting to be made upon application.

**Class SR Shares**
Subject to the discretion of the Management Company (taking into account local regulations), Class SR Shares are intended for providers of independent advisory services who: (i) provide investment services and activities as defined by the MiFID II Directive; and (ii) have separate fee arrangements with their clients in relation to those services and activities provided; and (iii) do not receive any other fee, rebate or payment from the relevant Fund in relation to those services and activities. Class SR Shares are not intended for providers of discretionary investment management.

**Class X Shares**
Class X Shares are available as Non-Distributing Shares and Distributing Shares, and are issued as registered shares only at the discretion of the Investment Adviser and its affiliates. No management fees are payable in respect of Class X Shares (instead a fee will be paid to the Investment Adviser or affiliates under an agreement).

Class X Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law, and who have entered into a separate agreement with the relevant entity of the BlackRock Group. Investors must demonstrate that they qualify as Institutional Investors by providing the Company and its Transfer Agent with sufficient evidence of their status.

On application for Class X Shares, Institutional Investors indemnify the Company and its functionaries against any losses, costs or expenses that the Company or its functionaries may incur by acting in good faith upon any declarations made or purporting to be made upon application.

**Class Z Shares**
Class Z Shares are available as Non-Distributing and Distributing Shares, and are only issued as registered shares. They are only available at the Management Company's discretion.

**Class ZI Shares**
Class ZI Shares are available as Distributing and Non-Distributing Shares to Institutional Investors and are issued as registered shares and global certificates. Unless otherwise requested, all Class ZI Shares will be issued as registered shares. They are only available at the Management Company's discretion.

Class ZI Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law. Investors must demonstrate that they qualify as Institutional Investors by providing the Company and its Transfer Agent with sufficient evidence of their status.

On application for Class ZI Shares, Institutional Investors indemnify the Company and its functionaries against any losses, costs or expenses that the Company or its functionaries may incur by acting in good faith upon any declarations made or purporting to be made upon application. Class ZI Shares are only available to investors who have entered into a separate agreement with the relevant entity of the BlackRock Group.

**Hedged Share Classes**
The hedging strategies applied to Hedged Share Classes will vary on a Fund by Fund basis. With the exception of BRL Hedged Share Classes (see further below), Funds will apply a hedging strategy which aims to mitigate currency risk between the Net Asset Value of the Fund and the currency of the Hedged Share Class, while taking account of practical considerations including transaction costs. All gains/losses or expenses arising from hedging transactions are borne separately by the Shareholders of the respective Hedged Share Classes.

Any over-hedged position arising in a Hedged Share Class is not permitted to exceed 105% of the Net Asset Value of that Hedged Share Class and any under-hedged position arising in a Hedged Share Class is not permitted to fall short of 95% of the Net Asset Value of that Hedged Share Class.

*BRL Hedged Share Classes*

BRL Hedged Share Classes, designated with the suffix "BRL Hedged", are intended for Brazilian feeder funds only. A feeder fund is a CIS that invests all or nearly all of its assets in another single fund (sometimes referred to as a master fund). BRL Hedged Share Classes are available at the Management Company's discretion.

BRL Hedged Share Classes aim to provide investors with currency exposure to BRL without using a Hedged Share Class denominated in BRL (i.e. due to currency trading restrictions on BRL).

The currency of a BRL Hedged Share Class will be the Base Currency of the relevant Fund. BRL currency exposure will be sought by converting the Net Asset Value of the BRL Hedged Share Class into BRL using financial derivative instruments (including currency forwards). The Net Asset Value of such BRL Hedged Share Class will remain denominated in the Base Currency of the relevant Fund (and the Net Asset Value per Share will be calculated in such Base Currency), however, due to the additional financial derivative instrument exposure, such Net Asset Value is expected to fluctuate in line with the fluctuation of the exchange rate between BRL and such Base Currency. This fluctuation will be reflected in the performance of the relevant BRL Hedged Share Class, and therefore the performance of such BRL Hedged Share Class may differ significantly from the performance of the other Share Classes of the relevant Fund. Profit or loss and costs and expenses resulting from this BRL Hedged Share Class hedging strategy will be reflected in the Net Asset Value of the relevant BRL Hedged Share Class. Risks in respect of BRL Hedged Share Classes will, for risk-management purposes, be measured and monitored in BRL.

**General**
Investors purchasing any Share Class through a distributor will be subject to the distributor's normal account opening requirements. Title to registered shares is evidenced by entries in the Company's Share register. Shareholders will receive confirmation notes of their transactions. Registered share certificates are not issued.

Global certificates are available under a registered common global certificate arrangement operated with Clearstream International and Euroclear. Global certificates are registered in the Company's share register in the name of Clearstream International and Euroclear's common depository. Physical share certificates are not issued in respect of global certificates. Global certificates may be exchanged for registered shares under arrangements between Clearstream International, Euroclear and the Central Paying Agent.

Information on global certificates and their dealing procedures is available on request from the local Investor Servicing team.

Any Shares that are listed will be listed on the Euro multi-lateral trading facility (MTF).

## Dealing in Fund Shares

**Daily Dealing**
Dealing in Shares can normally be effected daily on any day that is a Dealing Day for the relevant Fund. Orders for subscription, redemption and conversion of Shares in all Funds except the Multi-Theme Equity Fund and a Shari'ah Fund should be received by the Transfer Agent before 12 noon Luxembourg time on the relevant Dealing Day (the "Cut-Off Point" for all Funds except the Multi-Theme Equity Fund, the Systematic Islamic GCC Equity Fund and the Systematic Islamic Saudi Arabia Equity Fund, and in respect of the Multi-Theme Equity Fund and a Shari'ah Fund, before 12 noon Luxembourg time one Business Day before the relevant Dealing Day (the "Cut-Off Point" for the Multi-Theme Equity Fund and the Systematic Islamic GCC Equity Fund and the Systematic Islamic Saudi Arabia Equity Fund). Such orders shall be processed on the relevant Dealing Day and the prices applied will be those calculated in the afternoon of the relevant Dealing Day. Any dealing orders received by the Transfer Agent after the Cut-Off Point will be dealt with on the next available Dealing Day. At the discretion of the Company, dealing orders transmitted by a paying agent, a correspondent bank or other entity aggregating deals on behalf of its underlying clients before the Cut-Off Point but only received by the Transfer Agent after the Cut-Off Point may be treated as if they had been received before the Cut-Off Point. At the discretion of the Company, prices applied to orders backed by uncleared funds may be those calculated in the afternoon of the day following receipt of cleared funds. Further details and exceptions are described under the sections entitled "Application for Shares", "Redemption of Shares" and "Conversion of Shares" below. Once given, applications to subscribe and instructions to redeem or convert are irrevocable except in the case of suspension or deferral (see paragraphs 30. to 33. of Appendix B) and cancellation requests received before the Cut-Off Point.

Orders placed through distributors rather than directly with the Transfer Agent may be subject to different procedures which may delay receipt by the Transfer Agent. Investors should consult their distributor before placing orders in any Fund.

Shareholders should note that the Directors may determine to restrict the purchase of Shares in certain Funds, including, without limitation, where any such Fund, and/or the investment strategy of any such Fund, has become "capacity constrained", when it is in the interests of such Fund and/or its Shareholders to do so, including without limitation (by way of example), when a Fund or the investment strategy of a Fund reaches a size that in the opinion

of the Management Company and/or Investment Advisers could impact its ability to implement its investment strategy, find suitable investments or manage efficiently its existing investments. When a Fund has reached its capacity limit, Shareholders will be notified accordingly, and the Directors are authorised from time to time at their discretion to resolve to close the Fund or any Share Class to new subscriptions in whole or in part (except those made through regular investment programs as agreed in advance with the Management Company at its discretion) either for a specified period or until they otherwise determine at their discretion. Should a Fund then fall beneath its capacity limit, including without limitation (by way of example), as result of redemptions or market movements, the Directors are permitted, in their absolute discretion, to re-open the Fund or any Share Class on a temporary or permanent basis. Information on whether the purchase of Shares in a Fund at a specific point in time is restricted in this way is available from the local Investor Servicing team.

**Non-Dealing Days**
Some Business Days will not be Dealing Days for certain Funds where, for example, a substantial amount of such Fund's portfolio is traded in market(s) which are closed. In addition, the day immediately preceding such a relevant market closure may be a non-Dealing Day for such Funds, in particular where the Cut-Off Point occurs at a time when the relevant markets are already closed to trading, so that the Funds will be unable to take appropriate actions in the underlying market(s) to reflect investments in or divestments out of Fund Shares made on that day. A list of the Business Days which will be treated as non-Dealing Days for certain Funds from time to time can be obtained from the Management Company upon request and is also available in the Library section at www.blackrock.com/uk/individual/education/library. This list is subject to change.

**General**
Confirmation notes and other documents sent by post will be at the risk of the investor.

## Prices of Shares

All prices are determined after the deadline for receipt of dealing orders on the Dealing Day concerned, i.e. the Cut-Off Point (as set out in the section headed "Daily Dealing", above). In the case of those Funds for which two or more Dealing Currencies are available, if an investor does not specify his choice of Dealing Currency at the time of dealing then the Base Currency of the relevant Fund will be used.

The previous Dealing Day's prices for Shares may be obtained during business hours from the local Investor Servicing team and are also available from the BlackRock website. They will also be published in such countries as required under applicable law and at the discretion of the Directors in a number of newspapers or electronic platforms worldwide. The Company cannot accept any responsibility for error or delay in the publication or non-publication of prices. Historic dealing prices for all Shares are available from the Fund Accountant.

Where Shareholders subscribe for or redeem Shares having a specific value, the number of Shares dealt in is calculated by dividing the specific value by the applicable Net Asset Value per Share (which may be rounded to up to four decimal places). Such rounding may result in a benefit to the Fund or the Shareholder. Confirmation of the Net Asset Value per Share for any transaction will be shown on your contract note.

**Class A, Class AI, Class AJ, Class D, Class DD, Class E, Class I, Class J, Class S, Class SI, Class SR, Class X, Class Z and Class ZI Shares**
Class A, Class AI, Class AJ, Class D, Class DD, Class E, Class I, Class J, Class S, Class SI, Class SR, Class X, Class Z and Class ZI Shares may normally be acquired or redeemed at their Net Asset Value. Prices may include or have added to them, as appropriate: (i) an initial charge; (ii) a distribution fee; and (iii) in limited circumstances, adjustments to reflect fiscal charges and dealing costs (see paragraph 17.3 of Appendix B).

**Class B and Class C Shares**
Class B and Class C Shares may normally be acquired or redeemed at their respective Net Asset Values. No charge is added to or included in the price payable on acquisition or redemption but, with the exception of Shares of the Reserve Funds, a CDSC, where applicable, will be deducted from the proceeds of redemption as described in the section "Fees, Charges and Expenses" and in paragraph 19. of Appendix B. Prices may include or have added to them, as appropriate, (i) a distribution fee; and (ii), in limited circumstances, adjustments to reflect fiscal charges and dealing costs (see paragraph 17.3 of Appendix B).

The specific levels of fees and charges that apply to each Share Class are explained in more detail in the section "Fees, Charges and Expenses" and in Appendices B, C and E.

## Application for Shares

**Applications**
Initial applications for Shares must be made to the Transfer Agent on the application form. Certain distributors may allow underlying investors to submit applications through them for onward transmission to the Transfer Agent. All initial applications for Shares must be made by completing the Application Form and returning it to the Transfer Agent by fax or via email, followed by original via post. Failure to provide the original Application Form along with all requested AML documentation will delay the completion of the transaction and consequently the ability to effect subsequent dealings in the Shares concerned. Subsequent applications for Shares may be made electronically through a 'straight through process' (STP) or by fax (followed by original via post) and the Management Company may, in its sole discretion, accept individual dealing orders submitted via other forms of electronic communication. Investors who do not specify a Share Class in the application will be deemed to have requested Class A Non-Distributing Shares.

All application forms and other dealing orders must contain all required information, including (but not limited to) Share Class specific information such as the International Securities Identification Number (ISIN) of the Share Class the investor wishes to deal in. Where the ISIN quoted by the investor is different from any other Share Class specific information provided by the investor with respect to such order, the quoted ISIN shall be decisive and the Management Company and the Transfer Agent may process the order accordingly taking into account the quoted ISIN only.

Applications for registered shares should be made for Shares having a specified value and fractions of Shares will be issued

where appropriate. Global certificates will be issued in whole Shares only.

The right is reserved to reject any application for Shares or to accept any application in part only. In addition, issues of Shares of any or all Funds may be deferred until the next Dealing Day or suspended, where the aggregate value of orders for all Share Classes of that Fund exceeds a particular value (currently fixed by the Directors at 5% by approximate value of the Fund concerned) and the Directors consider that to give effect to such orders on the relevant Dealing Day would adversely affect the interests of existing Shareholders. This may result in some Shareholders having subscription orders deferred on a particular Dealing Day, whilst others do not. Applications for Shares so deferred will be dealt with in priority to later requests.

Investors must meet the investment criteria for any Share Class in which they intend to invest (such as minimum initial investment and specified investor type as set out under the section “Classes and Form of Shares”). If an investor purchases Shares in a Share Class in which that investor does not meet the investment criteria then the Directors reserve the right to redeem the investor’s holding. In such a scenario the Directors are not obliged to give the investor prior notice of their actions. The Directors may also decide, upon prior consultation with, and the approval of, the investor who does not meet the investment criteria, to switch the investor into a more appropriate class in the relevant Fund (where available). If the Shareholder holds Class X Shares but has not entered into a separate agreement with the relevant entity of the BlackRock Group (as set out under the section “Classes and Form of Shares”) then the Directors reserve the right, subject to 30 calendar days’ prior notice, to switch the Shareholder into a Share Class other than Class X in the relevant Fund, without prior consultation with or approval of the Shareholder.

**Data Protection**
Prospective investors and investors are referred to the privacy notice of the Company and the Management Company, which is provided in the Application Form (the "Privacy Notice").

The Privacy Notice explains, among other things, how the Company and the Management Company process personal data about individuals who invest in the Company or apply to invest in the Company and personal data about the directors, officers, employees and ultimate beneficial owners of Institutional Investors.

The Privacy Notice may be updated from time to time. The latest version of the Privacy Notice is available at www.blackrock.com.

If you would like further information on the collection, use, disclosure, transfer or processing of your personal data or the exercise of any of the rights in relation to personal data as set out in the Privacy Notice, please address questions and requests to: The Data Protection Officer, BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL.

**Settlement**
For all Shares, settlement in cleared funds net of bank charges must be made within three Business Days of the relevant Dealing Day unless otherwise specified in the contract note in cases where the standard settlement date is a public holiday for the currency of settlement. As an exception, for the Systematic Islamic GCC Equity Fund and the Systematic Islamic Saudi Arabia Equity Fund, settlement in cleared funds net of bank charges must be made within two Business Days of the relevant Dealing Day unless otherwise specified in the contract note in cases where the standard settlement date is a public holiday for the currency of settlement. If timely settlement is not made (or a completed application form is not received for an initial subscription) the relevant allotment of Shares may be cancelled and an applicant may be required to compensate the relevant distributor and/or the Company (see paragraph 27. of Appendix B).

Payment instructions are summarised at the back of this Prospectus. Payments made by cash or cheque will not be accepted.

Settlement should normally be made in the Dealing Currency for the relevant Fund or, if there are two or more Dealing Currencies for the relevant Fund, in the one specified by the investor. Except when investing in Share Classes using SAR as Dealing Currency, an investor may, by prior arrangement with the Transfer Agent, provide the Transfer Agent with any major freely convertible currency and the Transfer Agent will arrange the necessary currency exchange transaction. Any such currency exchange will be effected at the investor’s risk and cost. Investors seeking to invest in Share Classes using SAR as Dealing Currency will only be able to subscribe by using SAR.

The Management Company may, at its discretion, accept subscriptions in specie, or partly in cash and in specie, subject always to the minimum initial subscription amounts and the additional subscription amounts and provided further that the value of such subscription in specie (after deduction of any relevant charges and expenses) equals the subscription price of the Shares. Such securities will be valued on the relevant Dealing Day and, in accordance with Luxembourg law, may be subject to a special report of the Auditor. Further details of redemptions in specie are set out in paragraphs 24. and 25. of Appendix B.

**Minimum Subscription**
The minimum initial subscription in respect of Class A, Class B, Class C, Class CI, Class E, Class EI Shares, and Class K Shares is currently USD5,000, for Class AJ USD10,000, for Class AI, Shares USD25,000, for Class D Shares USD100,000, for Class DD Shares USD1 million, for Class I Shares, Class J Shares, Class X Shares and Class Z Shares USD10 million, for Class ZI Shares USD 25 million, for Class S Shares USD 50 million, and Class SR Shares, USD 250 million and for Class SI Shares USD 1billion. In all cases, the minimum subscription will also be accepted in the approximate equivalent in the relevant Dealing Currency. The minimum for additions to existing holdings of any Share Class of a Fund is USD1,000 or the approximate equivalent. These minima may be varied for any particular case or distributor or generally. Details of the current minima are available from the local Investor Servicing team.

**Compliance with Applicable Laws and Regulations**
Investors who wish to subscribe for Shares must provide the Transfer Agent and/or the Management Company, the Depositary and/or a Distributor (as required) with all necessary information which they may reasonably require to verify the identity of the investor in accordance with applicable Luxembourg regulations on the prevention of the use of the financial sector for money laundering purposes and in particular in accordance with CSSF circular 13/556 as amended, restated or supplemented from time to time and in order to comply with screening requirements issued by any regulatory, governmental or other official authorities in

respect of applicable international financial sanctions. Failure to do so may result in the Management Company rejecting a subscription order.

Furthermore, as a result of any other applicable laws and regulations, including but not limited to, other relevant anti-money laundering legislation, requirements in respect of applicable international financial sanctions including sanctions administered by the United States Office of Foreign Asset Control, European Union and United Nations, tax laws and regulatory requirements, investors may be required, in certain circumstances, to provide additional documentation to confirm their identity or provide other relevant information pursuant to such laws and regulations, as may be required from time to time, even if an existing investor. Any information provided by investors will be used only for the purposes of compliance with these requirements and all original documentation will be duly returned to the relevant investor. Until the Transfer Agent and/or the Management Company and/or the Depositary receives the requested documentation or additional information, subsequent redemption requests may be rejected or there may be a delay in processing these and the Management Company reserves the right in all cases to withhold redemption proceeds until such a time as the required documentation or additional information is received.

The Transfer Agent shall at all times comply with any obligations imposed by any applicable laws, rules and regulations with respect to money laundering prevention and, in particular, with the law of 12 November 2004 on the fight against money laundering and terrorist financing and CSSF Circular 13/556 of 16 January 2013, as amended, restated or supplemented from time to time. The Transfer Agent shall furthermore adopt procedures designed to ensure, to the extent applicable, that it and its agents shall comply with the foregoing undertaking. Moreover, the Transfer Agent is legally responsible for identifying the origin of monies transferred, provided that such duties may be delegated, always subject to the responsibility and control of the Transfer Agent, to investment professionals and financial sector institutions required to enforce an identification procedure equal to that required under Luxembourg law. The Transfer Agent as well as the Depositary acting on behalf of the Company may require at any time additional documentation relating to the admission of an investor as a Shareholder.

## Redemption of Shares

**Applications to Redeem**

**Instructions for the redemption of registered Shares should normally be given electronically through an approved 'straight through process' (STP) provider. If this option is unavailable then this can be completed by fax (followed by original via post) to the Transfer Agent and the Management Company may, at its sole discretion, accept individual dealing orders submitted via other forms of electronic communication. Instructions given by fax must be followed in each case by an email or a phone call to the local Investor Services teams on the same day before cut off, making sure fax Instruction has been received by the Transfer Agent. Certain distributors may allow underlying investors to submit instructions for redemptions through them for onward transmission to the Transfer Agent. They may also be given to the Transfer Agent in original or by fax followed by confirmation via phone or email unless a coverall renunciation and fax indemnity including instructions to pay the redemption proceeds to a specified bank account has been agreed. Failure to provide original confirmations may delay settlement of the transaction (see also paragraph 27. of Appendix B). Redemption requests must include the full name(s) and address of the holders, the name of the Fund, the Class (including whether it is the Distributing or Non-Distributing Share Class), the value or number of Shares to be redeemed and full settlement instructions and must be signed according to the latest Authorized Signatory List (ASL) provided to the Transfer Agent. If a redemption order is made for a cash amount or for a number of Shares to a higher value than that of the applicant's account then this order will be automatically treated as an order to redeem all of the Shares on the applicant's account.**

Redemptions may be suspended or deferred as described in paragraphs 30. to 33. of Appendix B.

**Settlement**

Subject to paragraph 23. of Appendix B, redemption payments will normally be despatched in the relevant Dealing Currency on the third Business Day after the relevant Dealing Day, provided that the relevant documents (as described above and any applicable money laundering prevention or international financial sanctions information) have been received. As an exception, for the Systematic Islamic GCC Equity and the Systematic Islamic Saudi Arabia Equity Fund, redemption payments will normally be despatched in the relevant Dealing Currency on the second Business Day after the relevant Dealing Day, provided that the relevant documents (as described above and any applicable money laundering prevention or international financial sanctions information) have been received. Except when investing in Share Classes using SAR as Dealing Currency, Shareholders may, on written request to the Transfer Agent, ask for redemption payments may be made in such other currency as may be freely purchased by the Transfer Agent with the relevant Dealing Currency and such currency exchange will be effected at the Shareholder's cost. Shareholders of Share Classes using SAR as Dealing Currency will only be able to receive SAR as payment for their redemption requests.

Redemption payments for Shares are made by telegraphic transfer to the Shareholder's bank account at the Shareholder's cost. Investors with bank accounts in the European Union must provide the IBAN (International Bank Account Number) and BIC (Bank Identifier Code) of their account.

The Directors may, subject to the prior consent of a Shareholder and to the minimum dealing and holding amounts, effect a payment of redemption proceeds in specie. Such redemption in specie will be valued on the relevant Dealing Day and, in accordance with Luxembourg law, may be subject to a special report of the Auditor. Further details of redemptions in specie are set out in paragraph 25. of Appendix B.

## Conversion of Shares

**Switching Between Funds and Share Classes**

Shareholders may request conversions of their shareholdings between the same Share Classes of the various Funds and thereby alter the balance of their portfolios to reflect changing market conditions.

Shareholders may also request conversion from one Share Class in a Fund to another Share Class of either the same Fund or a different Fund or between Distributing and Non-Distributing Shares

of the same Class or between Hedged Share Classes and un-hedged Shares of the same Class (where available).

Exceptions apply as follows:

- In the case of Shari'ah Funds, conversions are only permitted within the same Shari'ah Fund.
- For all Funds, conversions into or from any SAR-denominated Share Class may only be requested from or into another SAR-denominated Share Class.

In addition, investors may convert between any Class of UK Reporting Fund status Shares in one currency and the equivalent class of Distributing Shares in non-UK Reporting Fund status shares of the same currency. Investors should note that a conversion between a Share Class which has UK Reporting Fund status and a Share Class which does not have UK Reporting Fund status may cause the Shareholder to be subject to an "offshore income gain" on the eventual disposal of their interest in the Fund. If this is the case, any capital gain realised by investors on disposal of their investment (including any capital gain accruing in relation to the period where they held the UK Reporting Fund Share Class) may be subject to tax as income at their appropriate income tax rate. Investors should seek their own professional tax advice in this regard.

Investors should note that a conversion between Shares held in different Funds may give rise to an immediate taxable event.

As tax laws differ widely from country to country, investors should consult their tax advisers as to the tax implications of such a conversion in their individual circumstances.

Shareholders may request conversions of the whole or part of their shareholding provided that the Shareholder satisfies the conditions applicable to investment in the Share Class being converted into (see "Classes and Form of Shares" above). Such conditions include but are not limited to:

- satisfying any minimum investment requirement;
- demonstrating that they qualify as an eligible investor for the purposes of investing in a particular Share Class;
- the suitability of the charging structure of the Share Class being converted into; and by
- satisfying any conversion charges that may apply.

provided that the Management Company may, at its discretion, elect to waive any of these requirements where it deems such action reasonable and appropriate under the circumstances.

For holders of all Share Classes, there is normally no conversion charge by the Management Company. However, conversion charges may apply in some circumstances – see paragraphs 20. to 22. of Appendix B.

Subject to any exceptions and conditions applicable to Class B Shares as further described in the section "Classes and Form of Shares", conversion from a Share Class carrying a CDSC, where the CDSC is still outstanding, will not be treated as a conversion but as a redemption thereby causing any CDSC due at the time of conversion to become payable. Conversion and investment into and out of certain Share Classes is at the discretion of the Management Company. At the Management Company's discretion and provided always that the investor is an Institutional Investor, conversion from any Share Class into Class I, Class X or Class J Shares is permitted.

The Management Company may, at its discretion, refuse conversions in order to ensure that the Shares are not held by or on behalf of any person who does not meet the conditions applicable to investment in that Share Class, or who would then hold the Shares in circumstances which could give rise to a breach of law, or requirements of any country, government or regulatory authority on the part of that person or the Company or give rise to adverse tax or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. In addition, the Management Company may, at its discretion, refuse conversions between Share Classes if it presented currency conversion issues, for example, if the relevant currencies in respect of the conversion were illiquid at the time.

**Instructions to Convert**

**Instructions for the conversion of registered shares should normally be given electronically through an approved 'straight through process' (STP) provider. If this option is unavailable then this can be completed by fax (followed by original via post) to the Transfer Agent and the Management Company may, at its sole discretion, accept individual conversion orders submitted via other forms of electronic communication. Instructions given by fax must be followed in each case by an email or a phone call to the local Investor Services teams on the same day before cut off, making sure fax Instruction has been received by the Transfer Agent. Failure to provide adequate original confirmation may delay the conversion. Certain distributors may allow underlying investors to submit instructions for conversions through them for onward transmission to the Transfer Agent. Instructions may also be given in original to the Transfer Agent. Conversion requests (or original confirmations of such requests) must include the full name(s) and address of the holder(s), the name of the Fund, the Class (including whether it is the Distributing or Non-Distributing Share class), the value or number of Shares to be converted and the Fund to be converted into (and the choice of Dealing Currency of the Fund where more than one is available) and whether or not they are UK Reporting Fund status Shares. Where the Funds to which a conversion relates have different Dealing Currencies, currency will be converted at the relevant rate of exchange on the Dealing Day on which the conversion is effected.**

Conversions may be suspended or deferred as described in paragraphs 30. to 33. of Appendix B and an order for conversion into a Fund constituting over 10% of such Fund's value may not be accepted, as described in paragraph 32. of Appendix B.

**Exchange Privilege**

Certain distributors allow Shareholders who have acquired Shares through it to exchange their Shares for shares with a similar charging structure of certain other funds, provided that the distributor believes that an exchange is permitted under applicable

law and regulations. Details of this exchange privilege can be obtained from your financial advisor.

**Transfer of Shares**
Shareholders holding Shares of any Class through a distributor or other intermediary may request that their existing holdings be transferred to another distributor or intermediary which has an agreement with the Principal Distributor. Any transfer of Class B and Class C Shares in this way is subject to the payment of any outstanding CDSC to the investor's existing distributor or intermediary.

**Minimum Dealing & Holding Sizes**
The Company may refuse to comply with redemption, conversion or transfer instructions if they are given in respect of part of a holding in the relevant Share Class which has a value of less than USD1,000 or the approximate equivalent in the relevant Dealing Currency or if to do so would result in such a holding of less than USD5,000 (except for Class D, Class DD, Class I, Class J, Class S, Class SI, Class SR, Class X, Class Z and Class ZI Shares where there is no on-going minimum holding size once the initial subscription amount has been made). These minima may be varied for any particular case or distributor or generally. Details of any variations to the current minima shown above are available from the local Investor Servicing team.

If as a result of a withdrawal, switch or transfer a small balance of Shares, meaning an amount of USD5 (or its currency equivalent) or less, is held by a Shareholder, the Management Company shall have absolute discretion to realise this small balance and donate the proceeds to a Luxembourg or UK registered charity selected by the Management Company.

**Dividend Policy**
The Directors' current policy depends on the Fund and Share Class.

a) Fund

The following Funds distribute income gross of expenses across all distributing share classes:

Asian Multi-Asset Income Fund
Dynamic High Income Fund
Emerging Markets Equity Income Fund
European Equity Income Fund
European Multi-Asset Income Fund
Global Equity Income Fund
Global Multi-Asset Income Fund
Natural Resources Fund
Step Into Equity High Income Fund 2030
Systematic Asia Pacific Equity High Income Fund
Systematic Global Equity High Income Fund
Systematic Global Income & Growth Fund
Systematic Nasdaq Equity High Income Fund

All distributing share classes of the above-named Funds have a "G" mentioned in their naming convention except for Distributing (S), (R), (T), (C) and (Y) Shares which are distributing gross income for all Funds. These Distributing Shares where income is distributed gross of expenses will also be referred to as Distributing (G) Shares e.g. Class A4(G). For the avoidance of doubt, Distributing (G) Shares may also be issued for Funds not named above.

If dividends calculated in respect of Distributing (Y) Shares are lower than the Dividend Threshold Amount, this will mean that there may be a shortfall which may need to be paid out of capital and therefore may have the effect of reducing capital. This risk to capital growth is particularly relevant for Distributing (Y), (T) and (C) Shares as, for these Share Classes, a material portion of any dividend payment may be made out of capital. Therefore, the capital that is returned via the dividend will not be available for future capital growth.

b) Share Class

The aim for all Distributing (M) and (Q) classes of the Systematic Asia Pacific Equity High Income Fund, the Systematic Global Equity High Income Fund, the Systematic Global Income & Growth Fund and the Systematic Nasdaq Equity High Income Fund is to maintain a stable yield for Shareholders. At the discretion of the Directors the dividend may include distributions from capital, net realised and net unrealised capital gains.

For Non-Distributing Share Classes the current policy is to retain and reinvest all net income. In this regard the income is retained in the Net Asset Value and reflected in the Net Asset Value per share of the relevant Class. For the Distributing Share Classes, the current policy is to distribute substantially all of the investment income (where available) for the period after deduction of expenses for Share Classes which distribute net or all of the investment income for the period, and potentially a portion of capital before deduction of expenses for Share Classes which distribute gross income or total return. Please refer to the "Calculation of Dividends" section below for further information regarding the distribution policies for each Distributing Share Class.

The Directors may also determine if and to what extent dividends may include distributions from both net realised and net unrealised capital gains. Where Distributing Share Classes pay dividends that include net realised capital gains or net unrealised capital gains, or, in the case of Funds which distribute income gross of expenses, dividends may include initially subscribed capital. Shareholders should note that dividends distributed in this manner may be taxable as income, depending on the local tax legislation, and should seek their own professional tax advice in this regard.

Where a Fund has UK Reporting Fund status and reported income exceeds distributions made then the surplus shall be treated as a deemed dividend and will be taxed as income, subject to the tax status of the Shareholder.

For those Funds which offer UK Reporting Fund status Share Classes, the frequency at which the dividend payment is generally made is determined by the Fund type as described in the section "Classes and Form of Shares".

A list of Dealing Currencies, Hedged Share Classes, Distributing and Non-Distributing Share Classes and UK Reporting Fund status Classes is available from the Company's registered office and the local Investor Servicing team.

Please refer to the table below entitled "Calculation of Dividends" which sets out the usual calculation methodology for the Distributing Share Classes. Please refer to the table below entitled "Declaration, Payment of Reinvestment of Dividend" which sets out the usual declaration, payment and reinvestment methodology for

the Distributing Share Classes. The Directors may make additional dividend payments or amend the policy of a Distributing Share Class under certain circumstances.

Distributing Shares with alternative payment frequencies may be introduced at the Directors' discretion. Confirmation of additional distribution frequencies and the date of their availability can be obtained from the Company's registered office and the local Investor Servicing team. The Company may operate income equalisation arrangements with a view to ensuring that the level of net income accrued within a Fund (or gross income in the case of Distributing (G) Shares, Distributing (S) Shares, Distributing (T), Distributing (C) and Distributing (Y) Shares, and gross income and any Interest Rate Differential for Distributing (R) Shares) attributable to each Share is not affected by the issue, conversion or redemption of those Shares during an accounting period.

Where an investor buys Shares during an accounting period, the price at which those Shares were bought may be deemed to include an amount of net income accrued since the date of the last distribution. The result is that, in relation to Distributing (A) Shares, Distributing (M) Shares, Distributing (Q) Shares, Distributing (R) Shares, Distributing (S) Shares, Distributing (T) Shares, Distributing (Y) Shares or Distributing (C) Shares, the first distribution which an investor receives following purchase may include a repayment of capital. Non-Distributing Shares do not distribute income and so should not be impacted in the same way.

Where an Shareholder sells Shares during an accounting period the redemption price in relation to Distributing (A) Shares, Distributing (M) Shares or Distributing (Q) Shares, may be deemed to include an amount of net income accrued since the date of the last distribution. In the case of Distributing (G) Shares, Distributing (S) Shares, Distributing (T), Distributing (C) and Distributing (Y) Shares equalisation will be calculated on the gross income of the Fund, and in the case of Distributing (R) Shares, equalisation will be calculated on the gross income of the Fund and any Interest Rate Differential attributable to the Shares. Non-Distributing Shares do not distribute income and so should not be impacted in the same way.

The list of Funds operating income equalisation arrangements and the income element included in the daily price of Distributing (A) Shares, Distributing (M) Shares, Distributing (Q) Shares, Distributing (R) Shares, Distributing (S) Shares, Distributing (T) Shares, Distributing (C) and Distributing (Y) Shares will be made available upon request from the Company's registered office.

## Calculation of Dividends

The usual calculation method for each type of Distributing Share Class is described below. The methodology may be changed at the Directors discretion.

| | **Calculation Method** |
|---|---|
| **Distributing (D) Shares**<br><br>**(which may be referred to using the number 1 e.g. A1)** | The dividend is calculated daily based upon daily-accrued income less expenses, for the number of Shares outstanding on that day.<br><br>A cumulative monthly dividend is then distributed to Shareholders based upon the number of Shares held and the number of days for which they were held during the period. Holders of Distributing (D) Shares shall be entitled to dividends from the date of subscription to the date of redemption. |
| **Distributing (M) Shares**<br><br>**(which may be referred to using the number 3 e.g. A3)** | The dividend is calculated monthly (on the last business day of each calendar month) based upon income accrued during the dividend period less expenses.<br><br>The dividend is distributed to Shareholders based upon the number of Shares held at record date. |
| **Distributing (S) Shares**<br><br>**(which may be referred to using the number 6 e.g. A6)** | The dividend is calculated at the discretion of the Directors on the basis of the expected gross income over a given period (such period to be determined by the Directors from time to time) with a view to providing consistent monthly dividend distributions to Shareholders during such period.<br><br>At the discretion of the Directors the dividend may include distributions from capital and/or net realised and net unrealised capital gains. Where distributions are made from capital, this will have the effect of reducing capital and therefore will reduce the potential for future capital growth.<br><br>The dividend is calculated monthly (on the last business day of each calendar month) and distributed to Shareholders based upon the number of Shares held at record date.<br><br>In volatile or exceptional market conditions, the level of distributions may be permitted to fluctuate more and there may also be an increase in distributions from capital and/or net realised and net unrealised gains, at the discretion of the Directors, to manage consistency of distributions resulting in increased capital erosion when the fund's level of income falls. |
| **Distributing (R) Shares**<br><br>**(which may be referred to using the number 8 e.g. A8)** | The dividend is calculated at the discretion of the Directors on the basis of the expected gross income and Interest Rate Differential arising from Share Class currency hedging over a given period (such period to be determined by the Directors from time to time) with a view to providing consistent monthly dividend distributions to Shareholders during such period.<br><br>At the discretion of the Directors the dividend may include distributions from capital and/or net realised and net unrealised capital gains. Inclusion of any Interest Rate Differential arising from Share Class currency hedging in the dividend calculation will be considered a distribution from capital or capital gains. Where distributions are made from capital, this will have the effect of reducing capital and therefore will reduce the potential for future capital growth.<br><br>The dividend is calculated monthly (on the last business day of each calendar month) and distributed to Shareholders based upon the number of Shares held at record date.<br><br>In volatile or exceptional market conditions, the level of distributions may be permitted to fluctuate more and there may also be an increase in distributions from capital and/or net realised and net unrealised gains, at the discretion of the Directors, to manage consistency of distributions resulting in increased capital erosion when the fund's level of income falls. |

| | Calculation Method |
|---|---|
| **Distributing (T) Shares**<br><br>**(which may be referred to using the number 10 e.g. A10)** | The dividend is calculated at the discretion of the Directors on the basis of the expected gross total return over a given period (such period to be determined by the Directors from time to time) with a view to providing consistent monthly dividend distributions to Shareholders during such period.<br><br>It is expected that the dividend may include distributions from capital and/or net realised and net unrealised capital gains and may at times exceed the increase in the NAV per Share from the net income and realised and unrealised gains of the Share Class. Where distributions are made from capital, this will have the effect of reducing capital and therefore will reduce the potential for future capital growth.<br><br>The dividend is calculated monthly (on the last business day of each calendar month) and distributed to Shareholders based upon the number of Shares held at record date.<br><br>In volatile or exceptional market conditions, the level of distributions may be permitted to fluctuate more and there may also be an increase in distributions from capital and/or net realised and net unrealised gains, at the discretion of the Directors, to manage consistency of distributions resulting in increased capital erosion when the fund's level of income falls. |
| **Distributing (Q) Shares**<br><br>**(which may be referred to using the number 5 e.g. A5)** | The dividend is calculated quarterly based upon income accrued during the dividend period less expenses.<br><br>The dividend is distributed to Shareholders based upon the number of Shares held at the declaration date. |
| **Distributing (A) Shares**<br><br>**(which may be referred to using the number 4 e.g. A4)** | The dividend is calculated annually (on the last business day of each financial year) based upon income accrued during the dividend period less expenses.<br><br>The dividend is distributed to Shareholders based upon the number of Shares held at record date. |
| **Distributing (Y) Shares**<br><br>**(which may be referred to using the number 9 e.g. A9)** | The dividend is calculated at the discretion of the Directors on the basis of the expected gross income over a given period (such period to be determined by the Directors from time to time) with a view to providing quarterly dividend distributions to Shareholders which will on an annual basis be equal to, or greater than, the Dividend Threshold Amount. Quarterly dividend distributions may exceed the Dividend Threshold Amount, where underlying income generated on the Fund's assets is greater the Dividend Threshold Amount on an annual basis.<br><br>At the discretion of the Directors the dividend may include distributions from capital and/or net realised and net unrealised capital gains in order to ensure that the dividend is on an annual basis at least equal to the Dividend Threshold Amount. This will have the effect of reducing the potential for capital growth.<br><br>The dividend is calculated quarterly (on the last business day of each calendar quarter) and distributed to Shareholders based upon the number of Shares held at record date.<br><br>In volatile or exceptional market conditions, there may be an increase in distributions from capital, net realised and net unrealised gains, at the discretion of the Directors, to manage consistency of distributions resulting in increased capital erosion when the fund's level of income falls. |
| **Distributing (C) Shares**<br><br>**(which may be referred to using the number 11 e.g. A11)** | The dividend is calculated at the discretion of the Directors with a view to providing consistent monthly dividend distributions to Shareholders over a given period (such period to be determined by the Directors from time to time) that may not be linked to income or capital gains.<br><br>It is expected that the dividend will include distributions from capital and/or net realised and unrealised capital gains and may exceed the increase in the NAV per Share from the net income and realized and unrealized gains of the Share Class.<br><br>Where distributions are made from capital, this will have the effect of reducing capital and therefore will reduce the potential for future capital growth.<br><br>In volatile or exceptional market conditions, the level of distributions may be permitted to fluctuate more and there may also be an increase in distributions from capital and/or net realised and net unrealised gains, at the discretion of the Directors, to manage consistency of distributions resulting in increased capital erosion when the fund's level of income falls.<br><br>The dividend is distributed to Shareholders based upon the number of shares held at record date. |

Record date: only investors who are officially recorded as shareholders on this date will receive the distribution. Record date is one day prior to declaration date.

Non-Distributing Shares of any class are also referred to using the number 2 e.g. Class A2.

Where Distributing (G) Shares are issued for (D), (M), (Q) or (A) Shares, the calculation method set out above is amended to reflect that income is distributed gross of expenses. Distributing (G) Shares is the default Share Class issued in respect of the Equity Income Funds.

Most of the Funds deduct their charges from the income produced from their investments however some may deduct some or all of their charges from capital. Whilst this might allow more income to be distributed, it will also have the effect of reducing the potential for capital growth.

## Declaration, Payment of Reinvestment of Dividend

The chart below describes the usual process for the declaration and payment of dividends and the reinvestment options available to Shareholders. The declaration date frequency may change at the Directors discretion.

| Dividend Classification* | Declaration | Payment | Automatic Dividend Reinvestment | Payment Method |
|---|---|---|---|---|
| **Distributing (D) Shares** | Last Business Day of each calendar month in the Dealing Currency(ies) of the relevant Fund (or such other Business Day as the Directors may determine and notify to Shareholders, in advance if possible). | Within 1 calendar month of declaration to Shareholders holding Shares during the period following the previous declaration. | Dividends will be automatically reinvested in further Shares of the same form of the same class of the same Fund, unless the Shareholder requests otherwise either in writing to the Transfer Agent or on the application form. | Dividends (where a Shareholder has notified the Transfer Agent or on the application form) are paid directly into the Shareholder's bank account by telegraphic transfer in the Shareholder's chosen dealing currency at the Shareholder's cost (except as otherwise agreed with by an underlying investor with his/her distributor). |
| **Distributing (M) Shares** | | Within 1 calendar month of declaration to Shareholders registered in the share register on the Business Day prior to the declaration date. | | |
| **Distributing (S) Shares** | | | | |
| **Distributing (R) Shares** | | | | |
| **Distributing (T) Shares** | | | | |
| **Distributing (C) Shares** | | | | |
| **Distributing (Y) Shares** | Last Business Day of each calendar quarter in the Dealing Currency(ies) of the relevant Fund (or such other Business Day as the Directors may determine and notify to Shareholders, in advance if possible). | | | |
| **Distributing (Q) Shares** | 20 March, 20 June, 20 September and 20 December (provided such day is a Business Day and if not, the following Business Day). | Within 1 calendar month of the date of the declaration to Shareholders registered in the share register on the Business Day prior to the declaration date. | | |
| **Distributing (A) Shares** | Last Business Day of each fiscal year in the Dealing Currency(ies) of the relevant Fund (or such other Business Day as the Directors may determine and notify to Shareholders, in advance if possible). | Within 1 calendar month of declaration to Shareholders registered in the share register on the Business Day prior to the declaration date. | | |

* The options described in this chart will also apply to the respective class(es) of UK Reporting Fund status Shares and apply to both net and gross distributions.

No initial charge or CDSC is made on Class A Distributing Shares, issued by way of dividend reinvestment.

It should be borne in mind that re-invested dividends may be treated for tax purposes in most jurisdictions as income received by the Shareholder. **Investors should seek their own professional tax advice in this regard.**

## Fees, Charges and Expenses

**Please see Appendix E for a summary of fees and charges.**
Further information on fees, charges and expenses is given in paragraphs 16. to 22. of Appendix C, and the following information must be read in conjunction with those paragraphs.

**Management Fees**
The Company will pay the management fee at an annual rate as shown in Appendix E. The level of management fee varies according to which Fund and share class the investor buys. These fees accrue daily, are based on the Net Asset Value of the relevant Fund and are paid monthly. Certain costs and fees are paid out of the management fee, including the fees of the Investment Advisers.

To assist in achieving the investment objectives of the Reserve Funds, in certain circumstances, including where market conditions cause decreasing yields on the Fund's underlying investments, the Management Company may determine to waive its right to take the full amount of management fees to which it is entitled on any particular day or days. The Management Company may exercise its discretion to do this without prejudice to its entitlement to take the full amount of the management fee accruing on any future days.

In relation to the SR Share Class, a single fee is charged (which comprises the management fee and the Annual Service Charge) which forms part of the ongoing charges figure. Please refer to the applicable KID for the ongoing charges figure. Please note that this figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the custodian and any entry/exit charge paid to an underlying CIS (if any).

**Distribution Fees**
The Company pays annual distribution fees as shown in Appendix E. These fees accrue daily, are based on the Net Asset Value of the relevant Fund (reflecting, when applicable, any adjustment to the Net Asset Value of the relevant Fund, as described in paragraph 17.3 of Appendix B) and are paid monthly.

**Securities Lending Fees**
The securities lending agent, BlackRock Advisors (UK) Limited, receives remuneration in relation to its activities. Such remuneration amounts to 37.5% of the gross revenue from the securities lending activities, with all direct and indirect costs borne out of BlackRock's share, including any third party operational and administrative costs, and will pay any third party operational and administrative costs associated with, and incurred in respect of, such activity, out of its fee. All revenue generated from securities lending activities net of the securities lending agent's fee will be returned to the Company. The relevant Funds receive 62.5% of the gross revenue from the securities lending activities.

The fee of the securities lending agent represents direct costs (and if relevant indirect operational costs/fees) of the Company's securities lending activities. 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.

The securities lending agent is a related party to the Management Company.

**Annual Service Charge**
The Company pays an Annual Service Charge to the Management Company.

The level of Annual Service Charge may vary at the Directors' discretion, as agreed with the Management Company, and will apply at different rates across the various Funds and Share Classes issued by the Company. However, it has been agreed between the Directors and the Management Company that the Annual Service Charge currently paid shall not exceed 0.25% per annum. It is accrued daily, based on the Net Asset Value of the relevant Share Class and paid monthly.

The Directors and the Management Company set the level of the Annual Service Charge at a rate which aims to ensure that the ongoing charges of each Fund remain competitive when compared across a broad market of similar investment products available to Shareholders in the Funds, taking into account a number of criteria such as the market sector of each Fund and the Fund's performance relative to its peer group.

The Annual Service Charge is used by the Management Company to meet all fixed and variable operating and administrative costs and expenses incurred by the Company, with the exception of the Depositary fees, Distribution fees, Securities Lending fees, any fees arising from borrowings (including for the avoidance of doubt any commitment fee that may be due to the lender), any costs relating to (EU and non EU – see "Other Fees" further below) withholding tax reclaims (plus any taxes or interest thereon) and any taxes at an investment or Company level.

These operating and administrative expenses include all third party expenses and other recoverable costs incurred by or on behalf of the Company from time to time, including but not limited to, fund accounting fees, transfer agency fees (including sub-transfer agency and associated platform dealing charges), all professional costs, such as consultancy, legal, tax advisory and audit fees, Directors' fees (for those Directors who are not employees of the BlackRock Group), travel expenses, reasonable out-of-pocket expenses, printing, publication, translation and all other costs relating to Shareholder reporting, regulatory filing and licence fees, correspondent and other banking charges, software support and maintenance, operational costs and expenses attributed to the Investor Servicing teams and other global administration services provided by various BlackRock Group companies.

The Management Company bears the risk of ensuring that the Funds' ongoing charges remain competitive. Accordingly the Management Company is entitled to retain any amount of the Annual Service Charge paid to it which is in excess of the actual expenses incurred by the Company during any period whereas any costs and expenses incurred by the Company in any period which exceed the amount of Annual Service Charge that is paid to the Management Company, shall be borne by the Management Company or another BlackRock Group company.

**Research Fees**
In accordance with new rules coming into force in January 2018 pursuant to EU Directive 2014/65/EU on markets in financial instruments referred to as "MiFID II", BlackRock Group will no

longer pay for external research via client trading commissions for its MiFID II-impacted funds ("MIFID II-impacted funds").

The BlackRock Group shall meet such research costs out of its own resources. MiFID II-impacted funds are those which have appointed a BlackRock Group MiFID firm as investment adviser or where investment management has been delegated by such firm to an overseas affiliate.

Funds which have directly appointed an overseas affiliate of the BlackRock Group within a third country (i.e. outside the European Union) to perform portfolio management are not in-scope for the purposes of MiFID II and will be subject to the local laws and market practices governing external research in the applicable jurisdiction of the relevant affiliate. This means that costs of external research may continue to be met out of the assets of such funds. A list of such funds is available on request from the Management Company or can be found on the BlackRock website: www.blackrock.com/corporate/mifid/research/bgf.

Where investments are made in non-BlackRock Group funds, they will continue to be subject to the external manager's approach to paying for external research in each case. This approach may be different from that of the BlackRock Group and may include the collection of a research charge alongside trading commissions in accordance with applicable laws and market practice. This means that the costs of external research may continue to be met out of the assets within the fund.

**Other Fees**

The Company also pays the fees of the Depositary and any professional costs relating to European Union withholding tax reclaims. Any commitment fees arising from borrowings or any costs relating to withholding tax reclaims will be allocated between the relevant Funds on a fair and equitable basis. Any costs relating to withholding tax reclaims outside of the EU (plus any taxes or interest thereon) will be paid by the Company and will be allocated between the relevant Funds on a fair and equitable basis. As the Company has had a good degree of success with its EU withholding tax reclaims (which are paid by the Company) to date, any costs associated with non-EU withholding tax reclaims will no longer be paid out of the Annual Service Charge and will now be paid by the Company and allocated between the relevant Funds on a fair and equitable basis.

These fees are normally allocated between the relevant Funds (plus any taxes thereon) on a fair and equitable basis at the Directors' discretion.

**Initial Charge**

On application for subscription of Shares an initial charge, payable to the Principal Distributor, of up to 5% may be added to the price of Class A Shares, Class AI Shares, Class AJ Shares, Class D Shares and Class DD Shares. An initial charge of up to 3% may be added to the price of some Class E Shares (see Appendix E for details) subject to terms available from relevant distributors. No initial charge is levied on subscriptions into the Reserve Funds.

**Contingent Deferred Sales Charge**

If applicable, a decreasing CDSC of up to 3% may be deducted from redemption proceeds and paid on redemption of all Class B Shares of all Funds (except in the case of Reserve Funds) unless the Shares are held for more than three years. As further specified below, the relevant CDSC will decrease on a quarterly basis by 0.25% until the expiry of the three-year period.

| **Redemption Period** | **Contingent Deferred Sales Charge** *(% of Net Asset Value of the Shares on the date of redemption)* |
|---|---|
| Within first 3 months | 3.00 |
| After 3 months and before 6 months | 2.75 |
| After 6 months and before 9 months | 2.50 |
| After 9 months and before 12 months | 2.25 |
| After 12 months and before 15 months | 2.00 |
| After 15 months and before 18 months | 1.75 |
| After 18 months and before 21 months | 1.50 |
| After 21 months and before 24 months | 1.25 |
| After 24 months and before 27 months | 1.00 |
| After 27 months and before 30 months | 0.75 |
| After 30 months and before 33 months | 0.50 |
| After 33 months and before 36 months | 0.25 |
| After 36 months | 0.00 |

If applicable, a fixed CDSC of 1% may be deducted from redemption proceeds and paid on redemption of all Class C Shares of all Funds (except in the case of Reserve Funds) unless the Shares are held for more than a year.

If applicable, a decreasing CDSC of up to 1.50%, 1.80%, 2.00% or 2.40%, calculated on the basis of the management fee per annum multiplicated by the maturity term of the relevant Class, may be deducted from redemption proceeds and paid on redemption of all Class K Shares of all Funds unless the Shares are held until Fund's maturity (3 to 4 years). The relevant CDSC of Class K Shares will decrease on a quarterly basis, as further specified below:

| **Redemption Period** | **Contingent Deferred Sales Charge** *(% of Net Asset Value of the Shares on the date of redemption)* | | | |
|---|---|---|---|---|
| Within first 3 months | 1.50 | 1.80 | 2.00 | 2.40 |
| After 3 months and before 6 months | 1.375 | 1.65 | 1.875 | 2.38 |
| After 6 months and before 9 months | 1.250 | 1.50 | 1.750 | 2.25 |
| After 9 months and before 12 months | 1.125 | 1.35 | 1.625 | 2.13 |
| After 12 months and before 15 months | 1.00 | 1.20 | 1.500 | 2.00 |
| After 15 months and before 18 months | 0.875 | 1.05 | 1.375 | 1.88 |
| After 18 months and before 21 months | 0.750 | 0.90 | 1.250 | 1.75 |
| After 21 months and before 24 months | 0.625 | 0.75 | 1.125 | 1.63 |
| After 24 months and before 27 months | 0.500 | 0.60 | 1.000 | 1.50 |
| After 27 months and before 30 months | 0.375 | 0.45 | 0.875 | 1.38 |
| After 30 months and before 33 months | 0.250 | 0.30 | 0.750 | 1.25 |

| | | | | |
|---|---|---|---|---|
| After 33 months and before 36 months | 0.125 | 0.15 | 0.625 | 1.13 |
| After 36 months and before 39 months | 0.00 | 0.00 | 0.500 | 1.00 |
| After 39 months and before 42 months | **Fund matured** | **Fund matured** | 0.375 | 0.88 |
| After 42 months and before 45 months | | | 0.250 | 0.75 |
| After 45 months and before 48 months | | | 0.125 | 0.63 |
| After 48 months | | | 0.00 | 0.00 |

The CDSC may be waived or reduced by the relevant distributor at its discretion or for Shareholders who, after purchasing Class K Shares, become US Persons and are required to redeem their Shares as a result (see paragraph 4. of Appendix B).

Further information on the CDSC is contained in the section "Classes and Form of Shares" as well as in paragraph 19. of Appendix B.

**Conversion Charges**
Conversion charges may be applied by selected distributors, on conversion from a Reserve Fund into another of the Company's Funds, or on excessively frequent conversions. See paragraphs 20. to 22. of Appendix B for further details.

**Redemption Charges**
A redemption charge of up to a maximum of 2% of the redemption proceeds can be charged to a Shareholder at the discretion of the Directors where the Directors, in their reasonable opinion, suspect that Shareholder of excessive trading as described in the section "Excessive Trading Policy". This charge will be made for the benefit of the Funds, and Shareholders will be notified in their contract notes if such a fee has been charged. This charge will be in addition to any applicable conversion charge or deferred sales charge.

**General**
Over time, the different charging structures summarised above may result in different Share Classes of the same Fund, which were bought at the same time, producing different investment returns. In this context investors may also wish to consider the services provided by their distributor in relation to their Shares.

The Management Company may pay fees and charges to the Principal Distributor, which in turn may pay fees to other distributors as described in paragraph 20. of Appendix C where permitted by applicable local laws.

**Shari'ah Panel and Shari'ah Screening Provider Fees**
The Investment Adviser will pay the Shari'ah Panel and Shari'ah Screening Provider an annual fee which will not exceed USD 20,000 per annum. A USD 25,000 one-time fee for the review and certification of each relevant Shari'ah Fund (Fatwa) by the Shari'ah Panel will also be charged.

## Taxation

The following summary is based on current law and practice, which is subject to change.

Shareholders should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling shares or the effects of any equalisation policy relevant in respect of shares, under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and relief from, taxation can change.

**Luxembourg**
Under present Luxembourg law and practice, the Company is not liable to any Luxembourg income or capital gains tax, nor are dividends paid by the Company subject to any Luxembourg withholding tax. However, the Company is liable to a tax in Luxembourg of 0.05% per annum or, in the case of the Reserve Funds, Class I, Class J, Class SI and Class X Shares, 0.01% per annum of its Net Asset Value, payable quarterly on the basis of the value of the net assets of the respective Funds at the end of the relevant calendar quarter. No stamp or other tax is payable in Luxembourg on the issue of Shares.

The benefit of the 0.01% tax rate is available to Class I, Class J, Class SI, Class X and Class ZI Shares on the basis of Luxembourg legal, regulatory and tax provisions as known to the Company at the date of this Prospectus and at the time of admission of subsequent investors. However, such assessment is subject to interpretations on the status of an Institutional Investor by any competent authorities as will exist from time to time. Any reclassification made by an authority as to the status of an investor may submit all of Class I, Class J, Class SI, Class X and Class ZI Shares to a tax of 0.05%.

Under Luxembourg tax law in force at the time of this Prospectus, Shareholders are not subject to any capital gains, income, withholding, estate, inheritance or other taxes in Luxembourg (except for those domiciled, resident or having a permanent establishment in Luxembourg). Non-resident Shareholders are not subject to tax in Luxembourg on any capital gain realized from January 1, 2011, upon disposal of Shares held in the Company.

**United Kingdom**
The Company is not resident in the UK for tax purposes and it is the intention of the Directors to continue to conduct the affairs of the Company so that it does not become resident in the UK. Accordingly it should not be subject to UK taxation (except in respect of income for which every investor is inherently subject to UK tax). Any gain realised by a UK resident shareholder on disposal of Shares in the Company that have not obtained UK Reporting Fund status would be expected to be an 'offshore income gain' subject to tax as income. UK residents are likely to be subject to income tax on any dividends declared in respect of such shares in the Company, even if they elect for such dividends to be reinvested.

Dividends from offshore funds received by investors subject to UK income tax will be taxed as dividends in the hands of the investor provided that the fund does not at any time during the distribution period hold more than 60% of its assets in interest-bearing (or economically similar) form. From 6 April 2016, there is no longer a notional 10% tax credit on dividend distributions. Instead, a £2,000 tax free dividend allowance has been introduced for UK individuals. Dividends received in excess of this threshold will be taxed at 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers and 38.1% for additional rate taxpayers.

If the fund holds more than 60% of its assets in interest-bearing (or economically similar) form, any distribution received by UK investors who are subject to income tax will be treated as a payment of yearly interest. The tax rates applying will be those applying to interest (section 378A ITTOIA 2005).

The attention of individuals resident in the UK is drawn to sections 714 to 751 of the Income Tax Act 2007, which contains provisions for preventing avoidance of income tax by transactions resulting in the transfer of income to persons (including companies) abroad and may render them liable to taxation in respect of undistributed income and profits of the Company.

The provisions of section 13 TCGA 1992 may apply to a holding in the Company. Where at least 50% of the Shares are held by five or fewer participators, then any UK person who (together with connected parties) holds more than 25% of the Shares may be taxed upon his proportion of the chargeable gain realised by the Fund as calculated for UK tax purposes.

On the death of a UK resident and domiciled individual shareholder, the shareholder's estate (excluding the UK Reporting Fund status Share Classes) may be liable to pay income tax on any accrued gain. Inheritance tax may be due on the value of the holding after deduction of income tax and subject to any available inheritance tax exemptions.

A UK corporate shareholder may be subject to UK taxation in relation to its holdings in the Fund. It may be required to apply fair value accounting basis in respect of its shareholding in accordance with provisions of Chapter 3 Part 6 Corporation Tax Act 2009 and any increases or decreases in value of the Shares may be taken into account as receipts or deductions for corporation tax purposes.

Corporate Shareholders 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 Shareholders liable to UK corporation tax in respect of the income of the Fund.

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 His 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 Adviser (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. On the basis that the Company is a UCITS fund, the first condition should be met. Shares in each of the Funds shall be widely available. The intended categories of investors for the Funds are retail and Institutional Investors. 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. On this basis, the second condition should also be met.

**UK Reporting Funds**

In November 2009, the UK Government enacted Statutory Instrument 2009 / 3001 (The Offshore Funds (Tax) Regulations 2009) which provides for a new framework for the taxation of investments in offshore funds, and which operates by reference to whether a fund opts into a reporting regime ("UK Reporting Funds") or not ("Non- UK Reporting Funds"). Under the regime, investors in UK Reporting Funds are subject to tax on the share of the UK Reporting Fund's income attributable to their holding in the Fund, whether or not distributed, but any gains on disposal of their holding are subject to capital gains tax. The UK Reporting Funds regime has applied to the Company since 1 September 2010.

A list of the Funds which currently have UK Reporting Fund status is available at https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds.

Provided such certification is obtained, shareholders who are UK taxpayers (i.e. resident in the UK for tax purposes) will (unless regarded as trading in securities) have any gain realised upon disposal or conversion of the Company's Share treated as a capital gain which will be subject to UK capital gains tax. Otherwise any such gain would be treated as income subject to income tax. In the case of individuals domiciled for UK tax purposes outside the UK, the tax implications in relation to any gain on disposal will depend on whether or not the individual is subject to the remittance basis of taxation. Please note that the changes made in Finance Bill 2008 relating to the UK taxation of non-domiciled, UK resident

individuals are complex therefore investors subject to the remittance basis of taxation should seek their own professional advice.

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.blackrock.com/uk/reportingfundstatus. 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 shareholders 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 Management Company 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.

**Hong Kong**
Hong Kong profits tax is charged on the Hong Kong sourced profits of an offshore fund that carries on a trade, business or profession in Hong Kong. The Fund believes that, as an offshore fund, it will be entitled to exemptions from this tax with respect to profits derived from (i) "specified transactions" (as defined in Revenue Ordinance 2006 (the "Ordinance")) arranged by BAMNA, a "specified person" (as defined in the Ordinance), and (ii) transactions "incidental" to carrying out specified transactions. However certain other types of transactions in which the Fund may engage may be subject to this tax, and if the Fund's "incidental" transactions exceed 5% of the total transactions effected, the incidental transactions will be subject to the profits tax.

**People's Republic of China ("PRC")**
Under prevailing tax regulations, a 10% withholding income tax is imposed on PRC sourced dividends and interests from non-government bonds paid to the relevant Funds unless the rate is reduced under an applicable tax treaty.

On 14 November 2014, the Ministry of Finance, China Securities Regulatory Commission and the State Administration of Taxation, acting with State Council's approval, jointly released Circular 79, which temporarily exempts QFIIs and QFIs from tax on capital gains derived from the trading of shares and other equity interest investments on or after 17 November 2014. Subsequently, Circulars 81 and 127 were issued to temporarily exempt tax on capital gains derived from trading of A-Shares through the Stock Connects.

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

On 22 November 2018, the Ministry of Finance and State Administration of Taxation jointly issued Circular 108 providing foreign Institutional Investors temporary exemption from withholding income tax and VAT with respect to interests 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 capital gains tax realised on the sale of A-Shares or withholding income tax and VAT on interest income from non-government bonds to the relevant Funds without giving any prior notice. If the tax exemptions are withdrawn, any taxes arising from or to the relevant Funds may be directly borne by or indirectly passed on to the Funds and may result in a substantial impact to their Net Asset Value. As with any Net Asset Value adjustment, investors may be advantaged or disadvantaged depending on when the investors purchased/subscribed and/or sold/redeemed the Shares of the Funds.

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 Funds.

The Management Company 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 their opinion such provision is warranted or as further clarified by the PRC in notifications.

**Foreign Account Tax Compliance Act ("FATCA") and other cross-border reporting systems**
The US-Luxembourg Agreement to Improve International Tax Compliance and to Implement FATCA (the "US-Luxembourg IGA") was entered into with the intention of enabling the Luxembourg 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 *Administration des contributions directes* (the "ACD") (which information will in turn be provided to the US tax authority) pursuant to the US-Luxembourg IGA. It is expected that the Company will constitute a reporting financial institution for these purposes. Accordingly, the Company is required to provide certain information about its direct and, in certain circumstances, its indirect US Shareholders to the ACD (which information will in turn be provided to the US tax authorities) and is also required to register with the US Internal Revenue Service. It is the intention of the Company and the Management Company 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-Luxembourg 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 Shareholders.

A number of jurisdictions have entered into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the Organisation for Economic Co-operation and Development (OECD). This will require the Company to provide certain information to the ACD about its direct and, in certain circumstances, its indirect Shareholders from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities).

In light of the above, Shareholders in the Company will be required to provide certain information to the Company to comply with the terms of the reporting systems. Please note that the Directors have determined that US Persons are not permitted to own units in the Funds, Please see paragraph 4. of Appendix B below.

**Generally**
Dividends and interest received by the Company on its investments may be subject to withholding taxes in the countries of origin which are generally irrecoverable as the Company itself is exempt from income tax. Recent European Union case law may, however, reduce the amount of such irrecoverable tax.

Investors should inform themselves of, and when appropriate consult their professional advisers on, the possible tax consequences of subscribing for, buying, holding, redeeming, converting or selling Shares under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and reliefs from, taxation can change.

Under current Luxembourg tax law, there is no withholding tax on payments made by the Company or its paying agent to the Shareholders. Indeed, in accordance with the law of 25 November 2014, Luxembourg elected out of the withholding tax system in favour of an automatic exchange of information under the Council Directive 2003/48/EC on the taxation of savings income (the "EU Savings Directive") as from 1 January 2015. The information to be automatically exchanged relates to the identity and the residence of the beneficial owner, the name or denomination and the address of the paying agent, the account number of the beneficial owner, or instead the identification of the debt claim generating the interests, and the total amount of interest or assimilated income generated.

The European Union has adopted a Directive repealing the EU Savings Directive from 1 January 2016 (1 January 2017 in the case of Austria) (in each case subject to transitional arrangements).

## Meetings and Reports

**Meetings**
An annual general meeting of Shareholders of the Company is held in Luxembourg each year. Other general meetings of Shareholders will be held at such times and places as are indicated in the notices of such meetings. Notices are sent to registered Shareholders and (when legally required) published in such newspapers as decided by the Board of Directors and in the RESA in Luxembourg.

**Reports**
Financial periods of the Company end on 31 August each year. The annual report containing the audited financial accounts of the Company and of each of the Funds in respect of the preceding financial period is available within four months of the relevant year-end. An unaudited interim report is available within two months of the end of the relevant half-year. Copies of all reports are available upon request at the registered office of the Company and from the local Investor Servicing teams. Registered Shareholders will be sent a personal statement of account twice-yearly.

# Appendix A – Investment and Borrowing Powers and Restrictions

**Investment and Borrowing Powers**

1. The Company's Articles of Association permit it to invest in transferable securities and other liquid financial assets, to the full extent permitted by Luxembourg law. The Articles have the effect that, subject to the law, it is at the Directors' discretion to determine any restrictions on investment or on borrowing or on the pledging of the Company's assets.

   The Company's Articles of Association permit the subscription, acquisition and holding of securities issued or to be issued by one or more other Fund of the Company under the conditions set forth by Luxembourg laws and regulations.

**Investment and Borrowing Restrictions**

2. The following restrictions of Luxembourg law and (where relevant) of the Directors currently apply to the Company:

2.1 The investments of each Fund shall consist of:

2.1.1 Transferable securities and money market instruments admitted to official listings on regulated stock exchanges in Member States of the European Union (the "EU"),

2.1.2 Transferable securities and money market instruments dealt in on other regulated markets in Member States of the EU, that are operating regularly, are recognised and are open to the public,

2.1.3 Transferable securities and money market instruments admitted to official listings on stock exchanges in any other country in Europe, Asia, Oceania, the American continents and Africa,

2.1.4 Transferable securities and money market instruments dealt in on other regulated markets that are operating regularly, are recognised and open to the public of any other country in Europe, Asia, Oceania, the American continents and Africa,

2.1.5 Recently issued transferable securities and money market instruments provided that the terms of the issue include an undertaking that application will be made for admission to the official listing on one of the stock exchanges as specified in 2.1.1 and 2.1.3 or regulated markets that are operating regularly, are recognised and open to the public as specified in 2.1.2 and 2.1.4 and that such admission is secured within a year of issue,

2.1.6 Units of UCITS and/or other undertakings for collective investment ("UCIs") within the meaning of Article 1(2), points (a) and (b) of Directive 2009/65/EC, as amended, whether they are situated in a Member State or not, provided that:

- such other UCIs are authorised under laws which provide that they are subject to supervision considered by CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured;
- the level of protection for Shareholders in the other UCIs is equivalent to that provided for Shareholders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of transferable securities and money market instruments are equivalent to the requirements of Directive 2009/65/EC, as amended;
- the business of the other UCIs is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
- no more than 10% of the UCITS' or the other UCIs' assets (or of the assets of any sub-fund thereof, provided that the principle of segregation of liabilities of the different compartments is ensured in relation to third parties), whose acquisition is contemplated, can, according to their constitutional documents, be invested in aggregate in units of other UCITS or other UCIs;

2.1.7 deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in an EU Member State or, if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the CSSF as equivalent to those laid down in EU law;

2.1.8 financial derivative instruments, including equivalent cash-settled instruments, dealt in on a regulated market; and/or financial derivative instruments dealt in OTC derivatives, provided that:

- the underlying consists of instruments described in sub-paragraphs 2.1.1 to 2.1.7 above and 2.1.9 below, financial indices, interest rates, foreign exchange rates or currencies, in which the Company may invest according to its investment objectives;
- the counterparties to OTC derivative transactions are institutions subject to prudential supervision, and belonging to the categories approved by the CSSF; and
- the OTC derivatives are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the Company's initiative;

2.1.9 money market instruments other than those dealt in on a regulated market, which fall under Article 1 of the 2010 Law, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

- issued or guaranteed by a central, regional or local authority or central bank of an EU Member State, the European Central Bank, the EU or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or
- issued by an undertaking any securities of which are dealt in on regulated markets referred to in subparagraphs 2.1.1, 2.1.2 or 2.1.3 above; or
- issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by EU law, or by an establishment which is subject to and complies with prudential rules considered by the CSSF to be at least as stringent as those laid down by EU law; or
- issued by other bodies belonging to the categories approved by the CSSF provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, the second or the third indent and provided that the issuer is a company whose capital and reserves amount to at least €10 million and which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, is an entity which, within a group of companies which includes one or several listed companies, is dedicated to the financing of the group or is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2.2 Furthermore, each Fund may invest no more than 10% of its net assets in transferable securities and money market instruments other than those referred to in sub-paragraph 2.1.1 to 2.1.9.

2.3 Each Fund may acquire the units of other Funds in the Company, UCITS and/or other UCIs referred to in paragraph 2.1.6 Each Fund's aggregate investment in UCITS, other Funds in the Company and other UCIs will not exceed 10% of its net assets in order that the Funds are deemed eligible investments for other UCITS funds provided that such restriction shall not be applied to the following Funds:

- MyMap Cautious Fund
- MyMap Moderate Fund
- MyMap Growth Fund
- Multi-Theme Equity Fund

In relation to the Climate Transition Multi-Asset Fund only, the 10% limit will not apply to the Fund until such time as the Fund's net asset value exceeds €100m (for the first time) and in relation to the China Multi-Asset Fund and Systematic Global Income & Growth Fund the 10% limit will not apply to the Fund until such time as the Fund's net asset value exceeds $200m (for the first time).

In relation to Euro High Yield Fixed Maturity Bond Fund 2028, Euro High Income Fixed Maturity Bond Fund 2030, Euro High Income Fixed Maturity Bond Fund 2031, Euro Income Fixed Maturity Bond Fund 2029, Euro Income Fixed Maturity Bond Fund 2030, Euro Income Fixed Maturity Bond Fund 2031 II, Euro Income Fixed Maturity Bond Fund 2031 and Step Into Equity High Income Fund 2030, each of the Funds will hold up to 100% of its Net Asset Value in cash, deposits, Money Market Instruments, units of CIS and other cash equivalents during its Pre-Investment Period.

In relation to the Circular Economy Fund only, of the 10% investment permitted in other UCIs referred to in paragraph 2.3, no more than 5% may be invested in eligible UCIs that are not listed on a stock exchange of a Member State of the OECD.

Each Fund may acquire the units of UCITS and/or other UCIs referred to in paragraph 2.1.6, provided that no more than 20% of such Fund's net assets are invested in the units of any single UCITS and/or other UCI. For the purpose of the application of this limit, each target UCITS or UCI sub-fund of an umbrella is to be considered as a separate issuer, provided that segregated liability in relation to third party claims between sub-funds is effective.

The maximum aggregate investment by a Fund in units of eligible UCIs other than UCITS may not exceed 30% of such Fund's net assets.

When each Fund has acquired shares of UCITS and/or other UCIs, the assets of the respective UCITS or other UCIs do not have to be combined for the purposes of the limits laid down in paragraph 2.6.

When a Fund invests in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the same Investment Adviser or by any other company with which the Investment Adviser is linked by common management or control, or by a substantial direct or indirect holding, no subscription or redemption fees may be charged to the Company on its investment in the units of such other UCITS and/or UCIs. For further details please refer to the section entitled "Conflicts of interest from relationships within the BlackRock Group" of this Prospectus.

Where a Fund invests a substantial proportion of its net assets in other UCITS and other UCIs, the Investment Adviser will ensure that the total management fee (excluding any performance fee, if any) charged to such Fund (including management fees from other UCITS and UCIs in which it invests) shall not exceed 1.50% of the net asset value of the Fund.

2.4 When a Fund invests (the "investor Fund") in shares of another Fund in the Company (the "target Fund"):

- the target Fund may not itself invest in the investor Fund;
- the target Fund may not invest more than 10% of its net assets in units of another Fund of the Company ( as set out in paragraph 2.3 above);
- any voting rights which may be attached to the shares of the target Fund will be suspended for the investor Fund for the duration of the investment;
- any management fees or subscription or redemption fees payable in relation to the target Fund may not be charged to the investor Fund; and
- the net asset value of the shares of the target Fund may not be considered for the purpose of the requirement that the capital of the Company should be above the legal minimum as specified in the 2010 Law, currently €1,250,000.

2.5 A Fund may hold no more than 20% ancillary liquid assets (such as cash held in current accounts with a bank accessible at any time "Deposits at sight", in order to cover current or exceptional payments, or for the time necessary to reinvest in eligible assets provided under article 41(1) of the 2010 Law, or for a period of time strictly necessary in case of unfavourable market conditions. This restriction may only be exceeded temporarily for a period of time strictly necessary if the Directors consider this to be in the best interest of the Shareholders (during exceptionally unfavourable market conditions such as a severe financial market collapse).

2.6 A Fund may not invest in any one issuer in excess of the limits set out below:

2.6.1 Not more than 10% of a Fund's net assets may be invested in transferable securities or money market instruments issued by the same entity.

2.6.2 Not more than 20% of a Fund's net assets may be invested in deposits made with the same entity.

2.6.3 By way of exception, the 10% limit stated in the first paragraph of this section may be increased to:

- a maximum of 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States belong;
- a maximum of 25% in the case of certain bonds when these are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond holders. In particular, sums deriving from the issue of these bonds must be invested in conformity with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest. When a Fund invests more than 5% of its net assets in the bonds referred to in this paragraph and issued by one

issuer, the total value of these investments may not exceed 80% of the value of the net assets of such Fund.

2.6.4 The total value of the transferable securities or money market instruments held by a Fund in the issuing bodies in each of which it invests more than 5% of its net assets must not then exceed 40% of the value of its net assets. This limitation does not apply to deposits and OTC derivative transactions made with financial institutions subject to prudential supervision. The transferable securities and money market instruments limits referred to in the two indents of paragraph 2.6.3 above shall not be taken into account for the purpose of applying the limit of 40% referred to in this paragraph.

Notwithstanding the individual limits laid down in sub-paragraphs 2.6.1 to 2.6.4 above, a Fund may not combine:

- investments in transferable securities or money market instruments issued by a single entity; and/or
- deposits made with a single entity; and/or
- exposures arising from OTC derivative transactions undertaken with a single entity, in excess of 20% of its net assets.

When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above mentioned restrictions.

The limits provided for in sub-paragraphs 2.6.1 to 2.6.4 above may not be combined, and thus investments in transferable securities or money market instruments issued by the same entity or in deposits or derivative instruments made with this entity carried out in accordance with paragraphs 2.6.1 to 2.6.4 shall under no circumstances exceed in total 35% of the net assets of the Fund.

Companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/ EEC or in accordance with recognised international accounting rules, are regarded as a single entity for the purpose of calculating the investment limits mentioned in sub-paragraphs 2.6.1 to 2.6.4 above.

The Fund may not invest cumulatively more that 20% of its net assets in transferable securities or money market instruments of the same group subject to restrictions 2.6.1 and the three indents under 2.6.4 above.

Without prejudice to the limits laid down in paragraph 2.8 below, the limit of 10% laid down in sub-paragraph 2.6.1 above is raised to a maximum of 20% for investment in equity and/or debt securities issued by the same body when the aim of the investment policy of a Fund is to replicate the composition of a certain equity or debt securities index which is recognised by the CSSF, on the following basis:

- the composition of the index is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- it is published in an appropriate manner;
- it is replicable;
- it is transparent, with the full calculation methodology and index performance published; and
- it is subject to independent valuation.

This limit is 35% where that proves to be justified by exceptional market conditions in particular in regulated markets where certain transferable securities or money market instruments are highly dominant. The investment up to this limit is only permitted for a single issuer.

**By way of derogation, each Fund (including the Reserve Funds by virtue of Article 17.7 of the MMFR) is authorised to invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by an EU Member State, its local authorities, by another member state of the OECD or public international bodies of which one or more EU Member States are members, provided that (i) such securities are part of at least six different issues and (ii) securities from any one issue do not account for more than 30% of the net assets of such Fund.**

2.7 The Company may not invest in shares with voting rights enabling it to exercise significant influence over the management of the issuing body.

2.8 Each Fund may not:

2.8.1 acquire more than 10% of the shares with non-voting rights of one and the same issuer.

2.8.2 acquire more than 10% of the debt securities of one and the same issuer.

2.8.3 acquire more than 25% of the units of one and the same undertaking for collective investment.

2.8.4 acquire more than 10% of the money market instruments of any single issuer.

The limits stipulated in sub-paragraphs 2.8.2, 2.8.3 and 2.8.4 above may be disregarded at the time of acquisition if, at that time, the gross amount of debt securities or of the money market instruments, or the net amount of securities in issue cannot be calculated.

2.9 The limits stipulated in paragraphs 2.7 and 2.8 above do not apply to:

2.9.1 Transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;

2.9.2 Transferable securities and money market instruments issued or guaranteed by a non-EU Member State;

2.9.3 Transferable securities and money market instruments issued by public international institutions of which one or more EU Member States are members;

2.9.4 Transferable securities held by a Fund in the capital of a company incorporated in a non-Member State investing 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 such Fund can invest in the securities of issuing bodies of that State. This derogation, however, shall apply only if in its investment policy the company from the non-Member State complies with the limits laid down in Articles 43, 46 and 48(1) and (2) of the 2010 Law. Where the limits set in Articles 43 and 46 of the 2010 Law are exceeded, Article 49 shall apply mutatis mutandis; and

2.9.5 Transferable securities held by the Company 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 Shareholders' request exclusively on its or their behalf.

2.10 The Company may always, in the interest of the Shareholders, exercise the subscription rights attached to securities, which form part of its assets.

When the maximum percentages stated in paragraphs 2.2 through 2.8 above are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt, as a priority objective, sales transactions to remedy the situation, taking due account of the interests of its Shareholders.

2.11 A Fund (with the exception of the Reserve Funds) may borrow to the extent of 10% of its total net assets (valued at market value) provided these borrowings are made on a temporary basis. However, the Company may acquire for the account of a Fund foreign currency by way of back-to-back loan. Any repayment of monies borrowed, together with accrued interest and any fees arising from the committed credit line (including for the avoidance of doubt any commitment fee that may be due to the lender), shall be paid out of the assets of the respective Fund. Any new Funds will not automatically be subject to a credit line and will therefore be required to be added by way of a joinder process. This process includes, inter alia, any necessary due diligence being carried out by the lenders in order to approve the addition of the new Funds. During this period, such Funds will not be subject to, or able to draw down on, any credit line. Furthermore, there is no guarantee that the addition of any new Funds will be approved by the lenders, or that credit will be available to a Fund since the credit line is subject to availability (on an equitable allocation basis) between the Funds and other BlackRock funds participating in the credit agreement. As such, certain Funds may not be subject to the credit line and will not incur any fees with respect to same.

2.12 The Company may not grant credit facilities nor act as guarantor on behalf of third parties, provided that for the purpose of this restriction (i) the acquisition of transferable securities, money market instruments or other financial investments referred to in sub-paragraphs 2.1.6, 2.1.8 and 2.1.9 above, in fully or partly paid form and (ii) the permitted lending of portfolio securities shall be deemed not to constitute the making of a loan.

2.13 The Company undertakes not to carry out uncovered sales transactions of transferable securities, money market instruments or other financial instruments referred to in sub-paragraphs 2.1.6, 2.1.8 and 2.1.9 above; provided that this restriction shall not prevent the Company from making deposits or carrying out accounts in connection with financial derivatives instruments, permitted within the limits referred to above.

2.14 The Company's assets may not include precious metals or certificates representing them, commodities, commodities contracts, or certificates representing commodities.

2.15 The Company may not purchase or sell real estate or any option, right or interest therein, provided that the Company may invest in securities secured by real estate or interests therein or issued by companies which invest in real estate or interests therein.

2.16 The Company will in addition comply with such further restrictions as may be required by the regulatory authorities in any country in which the Shares are marketed.

2.17 The Reserve Funds shall not undertake any of the activities set out in Article 9(2) of the MMF Regulations, including borrowing and lending cash.

3. **Short Term VNAV Money-Market Funds**

3.1 A Fund which is categorised in this Prospectus as a "Short Term VNAV Money-Market Fund" in accordance with the MMF Regulations will satisfy the conditions set out in this section:

a) the Fund's primary investment objective is to maintain the principal and aim to provide a return in line with money-market rates;

b) the Fund will invest only in the categories of financial assets set out in paragraph 3.2 below;

c) the Fund will provide daily net asset value and price calculation and allow for daily subscription and redemption of units at a price equal to the Fund's NAV per unit, notwithstanding any permitted fees or charges as specified in this Prospectus; and

d) the Fund will maintain a variable net asset value.

3.2 A MMF shall invest only in one or more of the following categories of financial assets and only under the conditions specified in the MMF Regulations:

a) Money market instruments that fulfil the requirements set out in Article 10 of the MMF Regulations which can be summarised as follows: (a) they must fall within one of the categories of eligible MMIs provided for in the UCITS Directive; (b) they must have a legal maturity at issuance of 397 days or less; or have a residual maturity of 397 days or less. Standard MMFs are allowed to invest in MMIs with a residual maturity until the legal redemption date of less than or equal to two years, provided that the time remaining until the next interest rate reset date is 397 days or less.

b) Eligible securitisations and asset-backed commercial paper ("ABCPs") that fulfil the requirements set out in Article 11 of the MMF Regulations which can be summarised as follows: the securitisation or ABCP is sufficiently liquid and is any of the following: (a) a securitisation that constitutes a "Level 2B Securitisation" under the Liquidity Coverage Ratio Commission Delegated Regulation (EU) 2015/611 made under the EU Capital Requirements Regulation (575/2013) ("CRR"); (b) an ABCP issued by an ABCP programme which (i) is fully supported by a regulated credit institution; (ii) is not a re-securitisation and the exposures underlying the securitisation at the level of each ABCP transaction do not include any securitisation position; and (iii) does not include a synthetic securitisation; or (c) a simple, transparent and standardised (STS) securitisation or ABCP.

A Short-Term MMF may invest in the securitisations or ABCPs referred to above provided any of the following conditions is met, as applicable: (i) the legal maturity at issuance of the securitisation referred to in point (a) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less; (ii) the legal maturity at issuance or residual maturity of the securitisations or ABCPs referred to in points (b) and (c) above is 397 days or less; or (iii) the securitisations referred to in points (a) and (c) above are amortising instruments and have a WAL of two years or less.

A Standard MMF may invest in the securitisations or ABCPs referred to above provided any of the following conditions is met, as applicable: (i) the legal maturity at issuance or residual maturity of the securitisations and ABCPs referred to in points (a), (b) and (c) above is two years or less and the time remaining until the next interest rate reset date is 397 days or less; or (ii) the securitisations referred to in points (a) and (c) above are amortising instruments and have a WAL of two years or less.

c) Deposits with credit institutions that fulfil the requirements of Article 12 of the MMF Regulations which can be summarised as: (a) a deposit that is repayable on demand or is able to be withdrawn at any time; (b) a deposit that it matures in no more than 12 months; and (c) a deposit that is made with an EU credit institution or a non-EU credit institution subject to prudential rules considered equivalent to those laid down in the CRR.

d) Financial derivative instruments that fulfil the requirements of Article 13 of the MMF Regulations. which can be summarised as: (a) the underlying of the derivative consists of interest rates, foreign exchange rates, currencies or indices representing one of those categories; (b) the derivative serves only the purpose of hedging the interest rate or exchange rate risks inherent in other investments of the MMF; (c) the counterparties to OTC derivative are institutions subject to prudential regulation and supervision and belonging to the categories approved by the competent authority of the MMF; and (d) an OTC derivative is subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the MMF's initiative.

e) Repurchase agreements that fulfil the conditions set out in Article 14 of the MMF Regulations which can be summarised as follows: (a) they are used on a temporary basis only (for no more than seven working days) for liquidity management purposes and not for investment purposes other than as detailed in (c) below; (b) the counterparty is prohibited from selling, investing, pledging or otherwise transferring those assets without the MMF's prior consent; (c) the cash received is only (i) placed on deposit with eligible credit institutions pursuant to the UCITS Directive, or (ii) invested in liquid transferable securities or MMIs (other than eligible MMIs) where they are issued or guaranteed by certain public bodies; (d) the cash received by the MMF does not exceed 10% of its assets; and (e) the MMF has the right to terminate the agreement at any time upon giving prior notice of no more than two working days.

f) Reverse repurchase agreements that fulfil the conditions set out in Article 15 of the MMF Regulations which can be summarised as follows: (a) the MMF has the right to terminate the agreement at any time upon giving prior notice of no more than two working days; (b) the market value of the assets received is at all times at least equal to the value of the cash paid out; (c) the assets received by a MMF are eligible MMIs as described above at paragraph 3.2(a); (d) the assets received are not sold, reinvested, pledged or otherwise transferred; (e) securitisations and ABCPs shall not be received by a MMF as part of a reverse repurchase agreement; (f) the assets received are sufficiently diversified with a maximum exposure to a given issuer of 15%, except where those assets take the form of MMIs issued or guaranteed by certain public bodies; and (g) the MMF is able to recall the full amount of cash at any time on either an accrued basis or a mark-to-market basis.

g) Units or shares of other MMFs in accordance with the requirements set out in Article 16 of the MMF Regulations and as summarised in paragraphs 3.19 to 3.23 below.

3.3 A MMF may hold ancillary liquid assets in accordance with Article 41(2) of the 2010 Law.

3.4 A MMF shall invest no more than:

a) 5% of its assets in money market instruments, eligible securitisations and ABCPs issued by the same body;

b) 10% of its assets in deposits made with the same credit institution unless the structure of the banking sector in the Member State in which the MMF is domiciled is such that there are insufficient viable Credit Institutions to meet that diversification requirement and it is not economically feasible for the MMF to make deposits in another member state of the European Union, in which case up to 15% of its assets may be deposited with the same Credit Institution.

3.5 By way of derogation from paragraph 3.4(a), a VNAV MMF may invest up to 10% of its assets in money market instruments, eligible securitisations and ABCPs issued by the same body provided that the total value of such money market instruments, eligible securitisations and ABCPs held by the VNAV MMF in each issuing body in which it invests more than 5% of its assets does not exceed 40% of the value of its assets.

3.6 The aggregate of all of a MMF's exposures to eligible securitisations and ABCPs shall not exceed 15% of the assets of the MMF. As from the date of application of the delegated act referred to in Article 11(4) of the MMF Regulations, the aggregate of all of a MMF's exposures to eligible securitisations and ABCPs shall not exceed 20% of the assets of the MMF, whereby up to 15% of the assets of the MMF may be invested in eligible securitisations and ABCPs that do not comply with the criteria for the identification of simple, transparent and standardised ("STS") securitisations and ABCPs.

3.7 The aggregate risk exposure of a MMF to the same counterparty to OTC derivative transactions which fulfil the conditions set out in Article 13 of the MMF Regulations shall not exceed 5% of the assets of the MMF.

3.8 The cash received by the MMF as part of the repurchase agreement shall not exceed 10% of its assets.

3.9 The aggregate amount of cash provided to the same counterparty of a MMF in reverse repurchase agreements shall not exceed 15% of the assets of the MMF. Collateral received under reverse repurchase agreements must be comprised of eligible assets set out in paragraph 3.2 above, and comply with the diversification requirements in paragraphs 3.10 and 3.11 below.

3.10 Notwithstanding paragraphs 3.4 and 3.6 above, a MMF shall not combine, where to do so would result in an investment of more than 15% of its assets in a single body, any of the following:

a) investments in money market instruments, securitisations and ABCPs issued by that body;

b) deposits made with that body;

c) OTC financial derivative instruments giving counterparty risk exposure to that body.

3.11 A MMF may invest up to 100% of its assets in different money market instruments issued or guaranteed separately or jointly by the Union, the national, regional and local administrations of the Member States or their central banks, the European Central Bank, the European Investment Bank, the European Investment Fund, the European Stability Mechanism, the European Financial Stability Facility, a central authority or central bank of a member state of the OECD, a G20 member country, Hong Kong and Singapore, the International Monetary Fund, the International Bank for Reconstruction and Development, the Council of Europe Development Bank, the European Bank for Reconstruction and Development, the Bank for International Settlements, or any other relevant international financial institution or organisation to which one or more Member States belong.

3.12 Paragraph 3.11 shall only apply where all of the following requirements are met:

a) the MMF holds money market instruments from at least six different issues by the issuer; and

b) the MMF limits the investment in money market instruments from the same issue to a maximum of 30% of its assets.

3.13 Notwithstanding the individual limits laid down in paragraph 3.4, a MMF may invest no more than 10% of its assets in bonds issued by a single credit institution that has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. In particular, sums deriving from the issue of those bonds shall be invested in accordance with the law in assets which, during the whole period of validity of the bonds, are capable of covering claims attaching to the bonds and which, in the event of failure of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of the accrued interest.

3.14 Where a MMF invests more than 5% of its assets in the bonds referred to in paragraph 3.13 issued by a single issuer, the total value of those investments shall not exceed 40% of the value of the assets of the MMF.

3.15 Notwithstanding the individual limits laid down in paragraph 3.4, a MMF may invest no more than 20% of its assets in bonds issued by a single credit institution where the requirements set out in point (f) of Article 10(1) or point (c) of Article 11(1) of Delegated Regulation (EU) 2015/61 are met, including any possible investment in assets referred to in paragraph 3.14.

3.16 Where a MMF invests more than 5% of its assets in the bonds referred to in paragraph 3.15 issued by a single issuer, the total value of those investments shall not exceed 60% of the value of the assets of the MMF, including any possible investment in assets referred to in paragraph 3.14, respecting the limits set out therein.

3.17 Companies which are included in the same group for the purposes of consolidated accounts under Directive 2013/34/EU of the European Parliament and of the Council or in accordance with recognised international accounting rules, shall be regarded as a single body for the purpose of calculating the limits referred to in paragraphs 3.4 to 3.10.

3.18 A MMF will invest only in securities with a maturity at issuance or residual term to maturity of 397 days or less. At least 7.5% of the Fund's assets will be daily maturing reverse repo contracts which are able to be terminated by giving prior notice of one working day or cash which is able to be withdrawn by giving prior notice of one working day and at least 15% of the Fund's assets will be weekly maturing assets, reverse repo contracts which are able to be terminated by giving prior notice of five working days or cash which is able to be withdrawn by giving prior notice of five working days. Money Market Instruments and units or shares in other money market funds may be included in the weekly maturity assets, up to 7.5%, provided they can be redeemed and settled within five working days). The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any hedging or repo contracts used by the Fund.

3.19 A MMF may acquire the units or shares of any other MMF ('targeted MMF') provided that all of the following conditions are fulfilled:

a) no more than 10% of the assets of the targeted MMF are able, according to its fund rules or instruments of incorporation, to be invested in aggregate in units or shares of other MMFs;

b) the targeted MMF does not hold units or shares in the acquiring MMF.

3.20 A MMF whose units or shares have been acquired shall not invest in the acquiring MMF during the period in which the acquiring MMF holds units or shares in it.

3.21 A MMF may acquire the units or shares of other MMFs, provided that no more than 5% of its assets are invested in units or shares of a single MMF.

3.22 A MMF may, in aggregate, invest no more than 10% of its assets in units or shares of other MMFs.

3.23 Units or shares of other MMFs shall be eligible for investment by a MMF provided that all of the following conditions are fulfilled:

a) the targeted MMF is authorised under the MMFR;

b) where the targeted MMF is managed, whether directly or under a delegation, by the same manager as that of the acquiring MMF or by any other company to which the manager of the acquiring MMF is linked by common management or control, or by a substantial direct or indirect holding, the manager of the targeted MMF, or that other company, is prohibited from charging subscription or redemption fees on account of the investment by the acquiring MMF in the units or shares of the targeted MMF;

c) Short-term MMFs may only invest in units or shares of other short-term MMFs.

3.24 With respect to MMFs, the Investment Adviser has established and implemented and consistently applies a credit analysis process agreed with the Management Company in determining the credit quality of money market instruments, securitisations and asset-backed commercial paper (ABCPs) in which it is intended that an Money Market Fund will invest, taking into account the issuer of the instruments and the characteristics of the instrument itself.

3.24.1 The credit quality assessment considers the following factors and general principles:

(a) the quantification of the credit risk of the issuer and of the relative risk of default of the issuer and of the instrument;

(b) qualitative indicators on the issuer of the instrument, including in the light of the macroeconomic and financial market situation;

(c) the short-term nature of money market instruments;

(d) the asset class of the instrument;

(e) the type of issuer distinguishing at least the following types of issuers: national, regional or local administrations, financial corporations, and non-financial corporations;

(f) for structured financial instruments, the operational and counterparty risk inherent within the structured financial transaction and, in case of exposure to securitisations, the credit risk of the issuer, the structure of the securitisation and the credit risk of the underlying assets;

(g) the liquidity profile of the instrument with respect to the liquidity and solvency of the issuer.

3.24.2 The credit quality assessment includes a range of quantitative and qualitative indicators which are applied as appropriate depending on the type of security (i.e. money market instrument, securitisation or ABCP) and the type of issuer (e.g. a corporation, government or public entity) being considered.

3.24.3 For corporate issuers qualitative and quantitative indicators considered include: financial condition, liquidity resources, financial flexibility and vulnerability to event risk, competitor positioning, industry and company analysis, management, strategy, business model, event risk, disruption, legal and regulatory, statutory, capital structure, Shareholder activity, and environmental, social, and governance (ESG) factors, bond pricing information, including credit spreads and pricing of comparable fixed income instruments and related securities; pricing of money market instruments relevant to the issuer, instrument or industry sector; credit default-swap pricing information, including credit default-swap spreads for comparable instruments; default statistics relating to the issuer, instrument, or industry sector, financial indices relevant to the geographic location, industry sector or asset class of the issuer or instrument; pricing of new issues including the existence of more junior securities. In addition, analysis of relevant markets, including degree of volume and liquidity.

3.24.4 For national issuers, qualitative and quantitative indicators considered include: per capital income; GDP; inflation rate; economic development; current account; macroeconomic factors; political event risk; sources of revenue; ratio of debt/GDP; real exchange rate; default history; ratio of reserves/imports; corruption index; regulatory quality, accountability, rule of law and political stability; economic diversity; explicit and contingent liabilities; size of foreign exchange reserves versus foreign exchange liabilities.

For regional or local administrations, qualitative and quantitative indicators considered include: underlying credit fundamentals; revenue base and susceptibility to economic conditions; operational, administrative or financial linkages to a sovereign; economic importance of the issuer to a sovereign; estimates of government support (if any); guarantees (if any); credit strength of sovereign providing support; barriers to support; explicit and contingent liabilities; size of foreign exchange reserves/liabilities.

3.24.5 For structured financial instruments qualitative and quantitative indicators considered include: the operational and counterparty risk inherent within the structured financial transaction, and in the case of exposure to securitizations, the credit risk of the issuer, the structure of the securitization, and the credit risk of the underlying assets.

3.24.6 The management company shall ensure that the information used in applying the internal credit quality assessment procedure is of sufficient quality, up-to-date and from reliable sources. The internal credit quality assessment procedure shall be based on prudent, systematic and continuous assessment methodologies. The methodologies used shall be subject to validation by the management company based on historical experience and empirical evidence, including back testing. The management company shall ensure that the internal credit quality assessment procedure complied with all of the following general principles:

(a) an effective process is to be established to obtain and update relevant information on the issuer and the instrument's characteristics;

(b) adequate measures are to be adopted and implemented to ensure that the internal credit quality assessment is based on a thorough analysis of the information that is available and pertinent, and includes all relevant driving factors that influence the creditworthiness of the issuer and the credit quality of the instruments;

(c) the internal credit quality assessment procedure is to be monitored on an ongoing basis and all credit quality assessments shall be received at least annually;

(d) while there is to be no mechanistic over-reliance on external ratings in accordance with article 5a of Regulation (EC) N° 1060/2009, the management company shall undertake a new credit quality assessment for money market instruments, securitisations and ABCPs when there is a material change that could have an impact on the existing assessment of the instrument;

(e) the credit quality assessment methodologies are to be reviewed at least annually by the management company to determine whether they remain appropriate for the current portfolio and external conditions. Where the management company becomes aware of errors in the credit quality assessment methodology or in its application, it shall immediately correct those errors; and

(f) when methodologies, models or key assumptions used in the internal credit quality assessment procedure are changed, the management company shall review all affected internal credit quality assessments as soon as possible.

**The Company shall take the risks that it deems reasonable to reach the assigned objective set for each Fund; however, it cannot guarantee that it shall reach its goals given stock exchange fluctuations and other risks inherent in investments in transferable securities.**

4. Financial Techniques and Instruments.

4.1 The Company must employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of the portfolio; it must employ a process for accurate and independent assessment of the value of OTC derivative instruments. It must communicate to the CSSF regularly and in accordance with the detailed rules defined by the latter, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in derivative instruments.

4.2 In addition, the Company is authorised to employ techniques and instruments relating to transferable securities and to money market instruments under the conditions and within the limits laid down by the CSSF provided that such techniques and instruments are used for the purpose of efficient portfolio management or for hedging purposes.

4.3 When these operations concern the use of derivative instruments, these conditions and limits shall conform to the provisions laid down in the 2010 Law.

Under no circumstances shall these operations cause the Company to diverge from its investment policies and investment restrictions.

4.4 The Company will ensure that the global exposure of the underlying assets shall not exceed the total net value of a Fund. The underlying assets of index based derivative instruments are not combined to the investment limits laid down under sub-paragraphs 2.6.1 to 2.6.4 above.

- When a transferable security or money market instrument embeds a derivative, the latter must be taken into account when complying with the requirements of the above-mentioned restrictions.

- The exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

4.5 **Efficient Portfolio Management – Other Techniques and Instruments**

In addition to the investments in financial derivatives instruments, the Company may employ other techniques and instruments relating to transferable securities and money market instruments subject to the conditions set out in the CSSF Circular 08/356, as amended from time to time, and ESMA Guidelines ESMA/2012/832EL, such as repurchase/reverse repurchase transactions ("repo transactions") and securities lending.

Appendix G specifies, for each Fund, the maximum and expected proportion of the Net Asset Value that can be subject to securities lending and repo transactions. 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 and borrowing demand in the market.

Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management, including financial derivatives instruments which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

4.5.1 they are economically appropriate in that they are realised in a cost-effective way;

4.5.2 they are entered into for one or more of the following specific aims:

(a) reduction of risk;

(b) reduction of cost;

(c) generation of additional capital or income for the Company with a level of risk which is consistent with the risk profile of the Company and its relevant Funds and the risk diversification rules applicable to them;

4.5.3 their risks are adequately captured by the risk management process of the Company; and

4.5.4 they cannot result in a change to the Fund's declared investment objective or add significant supplementary risks in comparison to the general risk policy as described in the Prospectus and relevant KIDs.

Techniques and instruments (other than financial derivatives instruments) which may be used for efficient portfolio management purposes are set out below and are subject to the conditions set out below.

Moreover those transactions may be carried out for 100% of the assets held by the relevant Fund provided (i) that their volume is kept at an appropriate level or that the Company is entitled to request the return of the securities lent in a manner that enables it, at all times, to meet its redemption obligations; and (ii) that these transactions do not jeopardise the management of the Company's assets in accordance with the investment policy of the relevant Fund. Risks shall be monitored in accordance with the risk management process of the Company.

As part of the efficient portfolio management techniques the Funds may underwrite or sub-underwrite certain offerings from time to time through the Investment Advisers. The Management Company will seek to ensure that the relevant Funds will receive the commissions and fees payable under such contracts and all investments acquired pursuant to such contracts will form part of the relevant Funds' assets. Under the Luxembourg regulation, there is no requirement to require a prior consent of the trustee/depositary.

4.6 Securities lending transactions and related potential conflicts of interest.

Each Fund may conduct securities lending transactions in aggregate for up to such percentage of its Net Asset Value as disclosed in the table in Appendix G.

The Company may enter into securities lending transactions provided that it complies with the following rules:

4.6.1 the Company may lend securities either directly or through a standardised system organised by a recognised clearing institution or a lending program organised by a financial institution subject to prudential supervision rules which are recognised by the CSSF as equivalent to those laid down in EU law and specialised in this type of transactions;

4.6.2 the borrower must be subject to prudential supervision rules considered by the CSSF as equivalent to those prescribed by EU law;

4.6.3 net exposures (i.e. the exposures of a Fund less the collateral received by a Fund) to a counterparty arising from securities lending transactions shall be taken into account in the 20% limit provided for in article 43(2) of the 2010 Law.

4.6.4 as part of its lending transactions, the Company must receive collateral, the market value of which, shall, at all times, be equal to at least the market value of the securities lent plus a premium;

4.6.5 such collateral must be received prior to or simultaneously with the transfer of the securities lent. When the securities are lent through an intermediary referred to under 4.6.1 above, the transfer of the securities lent may be effected prior to receipt of the collateral, if the relevant intermediary ensures proper completion of the transaction. The intermediary may, instead of the borrower, provide to the UCITS collateral in lieu of the borrower; and

4.6.6 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.

Counterparties for securities lending transactions are selected based on a rigorous credit assessment and in-depth review at the individual legal entity level at the outset of the trading relationship. Credit assessments include an evaluation of the legal entity corporate and/or ownership structure, regulatory regime, track record, financial health and any external agency ratings, where applicable.

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

The Company shall disclose the global valuation of the securities lent in the annual and semi-annual reports. Please refer also to paragraph 11. ("The Depositary") in Appendix C for information on additional requirements pursuant to the UCITS Directive in relation to the reuse of assets held in custody by the Depositary.

There are potential conflicts of interests in managing a securities lending program, including but not limited to: (i) BlackRock as lending agent may have an incentive to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for BlackRock and its affiliates; and (ii) BlackRock as lending agent may have an incentive to allocate loans to clients that would provide more revenue to Blackrock. As described further below, 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.

As part of its securities lending program, BlackRock indemnifies the Funds and certain other clients and/or funds against a shortfall in collateral in the event of borrower default. On a regular basis, BlackRock calculates the potential dollar exposure of collateral shortfall resulting from a borrower default ("shortfall risk") in the securities lending program. BlackRock established program-wide borrower limits ("credit limits") to actively manage the borrower-specific credit exposure. BlackRock oversees the risk model that calculates projected collateral shortfall values using loan-level factors such as loan and collateral type and market value as well as specific borrower counterparty credit characteristics. When necessary, BlackRock may adjust securities lending program attributes by restricting eligible collateral or reducing borrower credit limits. As a result, the management of the program-wide exposure as well as BlackRock-specific indemnification exposure may affect the amount of securities lending activity BlackRock may conduct at any given point in time by reducing the volume of lending opportunities for certain loans (including by asset type, collateral type and/or revenue profile).

BlackRock uses a predetermined systematic process in order to approximate pro-rata allocation over time. In order to allocate a loan to a portfolio: (i) BlackRock as a whole must have sufficient lending capacity pursuant to the various program limits (i.e. indemnification exposure limit and borrower credit limits); (ii) the lending portfolio must hold the asset at the time a loan opportunity arrives; and (iii) the lending portfolio must also have enough inventory, either on its own or when aggregated with other portfolios into one single market delivery, to satisfy the loan request. In doing so, BlackRock seeks to provide equal lending opportunities for all portfolios, independent of whether BlackRock indemnifies the portfolio. Equal opportunities for lending portfolios does not guarantee equal outcomes. Specifically, short and long-term outcomes for individual clients may vary due to asset mix, asset/liability spreads on different securities, and the overall limits imposed by the firm.

BlackRock may decline to make a securities loan on behalf of a Fund, discontinue lending on behalf of a Fund or terminate a securities loan on behalf of a Fund for any reason, including but not limited to regulatory requirements and/or markets rules, liquidity considerations, or credit considerations, which may impact Funds by reducing or eliminating the volume of lending opportunities for certain types of loans, loans in particular markets, loans of particular securities or types of securities, or for loans overall.

4.7 Repo transactions

The Company may enter into:

- repurchase transactions which consist of the purchase or sale of securities with provisions reserving the seller the right or the obligation to repurchase from the buyer securities sold at a price and term specified by the two parties in their contractual arrangement; and

- reverse repurchase agreement transactions, which consist of a forward transaction at the maturity of which the seller (counterparty) has the obligation to repurchase the securities sold and the Company the obligation to return the securities received under the transaction.

Each Fund may conduct repurchase/reverse repurchase transactions in aggregate for up to such percentage of its latest available net asset value as disclosed in the table in Appendix G. All incremental incomes generated from such transactions will be accrued to the Fund.

4.7.1 The Company can act either as buyer or seller in repo transactions. Its involvement in such transactions is however subject to the following rules:

(a) the fulfilment of the conditions 4.6.2 and 4.6.3;

(b) during the life of a repo transaction with the Company acting as purchaser, the Company shall not sell the securities which are the object of the contract, before the counterparty has exercised its option or until the deadline for the repurchase has expired, unless the Company has other means of coverage;

(c) the securities acquired by the Company under a repo transaction must conform to the Fund's investment policy and investment restrictions and must be limited to:

(i) short-term bank certificates or money market instruments as defined in Directive 2007/16/EC of 19 March 2007;

(ii) bonds issued by non-governmental issuers offering an adequate liquidity;

(iii) assets referred to under 4.8.2(b), 4.8.2(c) and 4.8.2(d) below; and

The Company shall disclose the total amount of the open repo transactions on the date of reference of its annual and interim reports.

4.7.2 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.

4.7.3 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 the 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.

4.8 Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques.

4.8.1 Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("Collateral"), such as a repo transaction or securities lending arrangement, must comply with the following criteria:

(a) 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 received should also comply with the provisions of Article 48 of the 2010 Law;

(b) valuation: Collateral should be capable of being valued marked to market on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place;

(c) issuer credit quality: Collateral should be of high quality;

(d) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to

display a high correlation with the performance of the counterparty;

(e) 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 Appendix A, paragraph 2.6.4. 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

(f) immediately available: Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

Counterparties for repurchase / reverse repurchase transactions are selected based on a rigorous credit assessment and in-depth review at the individual legal entity level at the outset of the trading relationship. Credit assessments include an evaluation of the legal entity corporate and/or ownership structure, regulatory regime, track record, financial health and any external agency ratings, where applicable.

4.8.2 Subject to the above criteria, Collateral must comply with the following criteria:

(a) liquid assets such as cash, short term bank deposits, money market instruments as defined in Directive 2007/16/EC of 19 March 2007, letters of credit and guarantees at first demand issued by a first class credit institution not affiliated to the counterparty;

(b) bonds issued or guaranteed by a Member State of the OECD or by their local authorities or supranational institutions and bodies of a community, regional or world-wide scope;

(c) shares or units issued by money market-type UCIs calculating a daily net asset value and having a rating of AAA or its equivalent;

(d) shares or units issued by UCITS investing mainly in bonds/ shares mentioned under e) and f) hereunder;

(e) bonds issued or guaranteed by first class issuers offering an adequate liquidity; or

(f) shares admitted to or dealt in on a regulated market of a Member State of the European Union or on a stock exchange of a Member State of the OECD, provided that these shares are included in a main index.

4.8.3 Where there is title transfer, the Collateral received should be held by the Depositary, or its agent. This is not applicable in the event that there is no title transfer in which case the Collateral will be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.

4.8.4 When the Collateral given in the form of cash exposes the Company to a credit risk vis-à-vis the trustee of this Collateral, such exposure shall be subject to the 20% limitation as laid down in section 2.6 above.

4.8.5 During the duration of the agreement, non-cash Collateral cannot be sold, re-invested or pledged.

4.8.6 Cash received as Collateral may only be:

(a) placed on deposit with entities prescribed in Article 50(f) of Directive 2009/65/EC;

(b) invested in high quality government bonds;

(c) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company can recall at any time the full amount of the cash on an accrued basis; and

(d) invested in short term money market funds as defined in the MMF Regulations.

Re-invested cash Collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral.

4.8.7 The Company has implemented a haircut policy in respect of each class of assets received as Collateral in order to reduce exposure to trading counterparties for OTC Derivative, Securities Lending and Reverse Repurchase transactions. These transactions are executed under standardised legal documentation that include terms related to credit support and eligible collateral, including haircuts to be applied.

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.

The applicable haircuts for each of the relevant types of assets held as Collateral are specified below as a valuation percentage. Larger haircuts than those noted below may be applied at the sole discretion of the Company; larger haircuts may apply to certain counterparties, and/or to certain transactions (e.g. wrong way risk).

The Company reserves the right to vary this policy at any time in which case this Prospectus will be updated accordingly.

*OTC Derivative Transactions*

| Eligible Collateral | Minimum Haircut Applicable |
|---|---|
| Cash | 0% |
| Government Bonds having a remaining term to maturity of one year or less | 0.5% |
| Government Bonds having a remaining term to maturity of greater than one year but less than or equal to five years | 2% |
| Government Bonds having a remaining term to maturity of greater than five years | 4% |
| Non-Government Bonds having a remaining term to maturity of less than or equal to five years | 10% |
| Non-Government Bonds having a remaining term to maturity of greater than 5 years | 12% |

*Securities Lending Transactions*

| Eligible Collateral | Minimum Haircut Applicable |
|---|---|
| Cash | 2% |
| Money Market Funds | 2% |
| Government Bonds | 2.5% |
| Supranational / Agency Bonds | 2.5% |
| *Equities (including ADRs and ETFs)* | 5% |

Reverse Repurchase Transactions

| Eligible Collateral | Minimum Haircut Applicable |
|---|---|
| Government bonds | 0% |
| Corporate Bonds | 6% |

4.8.8 Risk and potential Conflicts of Interest associated with OTC derivatives and efficient portfolio management

(a) There are certain risks involved in OTC derivative transactions, efficient portfolio management activities and the management of Collateral in relation to such activities. Please refer to the sections of this Prospectus entitled "Conflicts of interest from relationships within the BlackRock Group" and "Risk Considerations" and, in particular but without limitation, the risk factors relating to derivatives, counterparty risk and counterparty risk to the Depositary. These risks may expose investors to an increased risk of loss.

(b) The combined counterparty risk on any transaction involving OTC derivative instruments or efficient portfolio management techniques may not exceed 10% of the assets of a Fund when the counterparty is a credit institution domiciled in the EU or in a country where the CSSF considers that supervisory regulations are equivalent to those prevailing on the EU. This limit is set at 5% in any other case.

(c) The Company's delegates will continuously assess the credit or counterparty risk as well as the potential risk, which is for trading activities, the risk resulting from adverse movements in the level of volatility of market prices and will assess the hedging effectiveness on an ongoing basis. They will define specific internal limits applicable to these kinds of operations and monitor the counterparties accepted for these transactions.

5. **Investments in a Shari'ah Fund**

Prospective investors should not rely on the Index provider's screening methodology or on the pronouncement of the Shari'ah Panel on the compliance of a Shari'ah Fund with Shari'ah in deciding whether to become an investor. Prospective investors should consult their own Shari'ah advisors as to whether a Shari'ah Fund is compliant with Shari'ah. By becoming an investor, the investor shall be deemed to have represented that they are satisfied that a Shari'ah Fund does not contravene Shari'ah.

Where applicable, a Shari'ah Fund relies on the information of the Index provider for the determination of the universe of eligible component securities. Neither the Index provider, a Shari'ah Fund, the Management Company nor the Investment Adviser makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of such determinations. Although the Fund intends to observe Shari'ah principles at all times, no such assurance can be given as, for example, there may be occasions when a Shari'ah Fund's investments do not fully comply with such criteria for factors outside the control of the Shari'ah Fund. Compliance with Shari'ah may result in a Shari'ah Fund's changing its holdings with limited notice in which case the Investment Adviser may be required to dispose of investments in circumstances that are less advantageous than might otherwise be the case. Similarly, cash balances held by a Shari'ah Fund from time to time may be deposited on terms which shall grant no return on the sum deposited for the benefit of a Shari'ah Fund. In the event of any interest arising, such interest is intended to be donated to approved charities for purification purposes, as further detailed in section "Purification of non-Shari'ah compliant Income".

A Shari'ah Fund must at all times comply with applicable Luxembourg laws and regulations and in case of discrepancies between Luxembourg laws and regulations and Shari'ah principles, Luxembourg laws and regulations shall prevail.

Prospective investors should also note that in seeking to be a Shari'ah-compliant Fund, any general provisions or references to investment methods or techniques stated in the Prospectus to be available to all Funds will not be availed of by a Shari'ah Fund to the extent they are not Shari'ah compliant.

The Investment Adviser may invest in securities that are selected either from the Index, or that are not comprised in the Index. While selecting securities, the Investment Adviser ensures that these have been screened and approved by the Index Provider, the Shari'ah Screening Provider and/or the Shari'ah Panel, as applicable, prior to such investments, ensuring compliance with the Shari'ah principles. Where the Shari'ah Fund does not have an Index or it is investing in securities not comprised in the Index, the Investment Adviser will ensure that these have been screened and approved by the Shari'ah Screening Provider and/or the Shari'ah Panel prior to such investments, ensuring compliance with the Shari'ah principles. While selecting Shari'ah Funds' securities from the Index, the Investment Adviser will rely on the securities which have been (i) selected by the Index provider pursuant to a Shari'ah screening methodology, (ii) and assessed by the Shari'ah Panel, prior to such investments, ensuring compliance with the Shari'ah principles. This screening methodology is designed to evaluate and ensure that investments in equity instruments comply with Shari'ah principles and allows fund managers to identify permissible securities by applying a series of sector-based exclusions and financial ratio assessments. The methodology involves a thorough review of each company's financial statements to exclude those engaged in non-compliant activities, such as alcohol, gambling, or interest-based financial services, as further detailed below. Additionally, it assesses financial ratios related to leverage and liquidity to ensure adherence to Shari'ah standards. A key component of this methodology is the "dividend purification ratio", which calculates the proportion of income derived from non-Shari'ah compliant activities. This ratio will

allow the Investment Adviser to purify the non-Shari'ah compliant income of the Shari'ah Funds by donating the corresponding amount to selected charities, thereby ensuring that their investments remain pure at all times, as further detailed in section "Purification of non-Shari'ah compliant Income".

Where a Fund invests in Sukuk, in the rare event that a Sukuk becomes non-compliant with Shari'ah principles following its issuance, an ad hoc purification process will be followed upon identification of such security. Any impure income or capital gain attributable to the non-Shari'ah compliant Sukuk will be excluded from the Fund's Net Asset Value and donated to approved charities for purification purposes.

At the date of this Prospectus, the screening methodology provides that where a company derives less than 5% of its total business income from non-permissible business sectors, this deviation may be tolerated, and the company will still be deemed to have passed the screening process. However, the Investment Adviser will still be required to purify the portion of income derived from non-permissible business sector. The calculation of such total business income is the following:

Non-permissible income (including all interests deriving from these incomes) / revenue < 5%

During the selection process, each issuer's latest financial statement is reviewed by the Index provider to ensure that it is not involved in any non-Shariah compliant activities, regardless of whether the latest statement is a quarterly, semi-annual, or annual statement. If the latest statement is available in all three of these frequencies an annual statement will likely be used, as these are more likely to be audited. Those securities that are found to be non-compliant are screened out.

The following list of sectors will not be included in the Index and are therefore considered as non-Shariah-compliant:

1. Advertising

   a. Advertisers of pork, alcohol, gambling, tobacco, and all other non-Islamic activities

   b. Advertising means and modes which contravene the tenets of Islam

2. Media & Entertainment

   a. Producers, distributors and broadcasters of music, movies, television shows and musical radio shows

   b. Cinema operators

   c. Exceptions:

- News Channels
- Newspapers
- Sports Channels
- Children's Channels
- Educational Channels

3. Alcohol

4. Financial Services, except:

   a. Islamic Banks

   b. Islamic Financial Institutions

   c. Islamic Insurance Companies

   Defined as a company having:

   - Shariah Committee or Shariah scholar to supervise all activities
   - All products are Islamic
   - All investments and non-operating business activities of the company are Islamic
   - Passes accounting-based screens

5. Gambling

6. Pork related activities

7. Pornography

8. Tobacco and electronic cigarettes/vaping products

9. Recreational cannabis, including products derived from cannabis used recreationally

   - Cannabis-based products which are produced, sold and consumed under medical supervision for health reasons are considered compliant

10. Trading of gold and silver as cash on deferred basis

    Investors seeking further details are invited to consult the screening methodology on the Index provider's website at https://www.spglobal.com/spdji/en/index-family/equity/shariah/#overview.

6. **Liquidity Management Tools**

***To better manage the liquidity of the Funds, address redemption pressures under stressed market conditions and/or protect Shareholder interests, the Directors may use the liquidity tools and measures as specified in this Prospectus. These include, but are not limited to:***

***- swing pricing, as described in Appendix B, point 17.3, page 187, which applies to all Funds except the Reserve Funds and***

***- redemption gates, as described in Appendix B, point 32, page 190.***

## Appendix B – Summary of Certain Provisions of the Articles and of Company Practice

The below is a summary of the Articles. However, such summary does not purport to be complete. It is subject to and qualified in its entirety by reference to the contents of such Articles, the application forms and other documents and, accordingly, it should be reviewed for complete information concerning the rights, privileges and obligations of Shareholders in the Company. In the event that the description in or terms of this Prospectus are inconsistent with or contrary to the description in or terms of the Articles or the application forms, the Articles shall prevail and investors will be taken as having full knowledge of the Articles in applying for Shares.

**Articles of Association**

1. Terms used in this summary that are defined in the Articles have the same meaning below.

1.1 **Corporate Existence**
The Company is a company existing in the form of a société anonyme qualifying as a société d'investissement à capital variable (SICAV) under the name of BlackRock Global Funds with the status of a Part I Undertaking for Collective Investment in Transferable Securities (UCITS).

1.2 **Sole Object**
The sole object of the Company is to place the funds available to it in one or more portfolios of transferable securities or other assets referred to in Article 41(1) of the 2010 Law and in Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds, where applicable, referred to as "Funds", with the purpose of spreading investment risks and affording to its shareholders the results of the management of the Company's Funds.

1.3 **Capital**
The capital is represented by fully paid Shares of no par value and will at any time be equal to the aggregate value of the net assets of the Funds of the Company. Any variation of the Company's capital has immediate effect.

1.4 **Fractions**
Fractions of Shares may be issued only as registered shares.

1.5 **Voting**
In addition to the right to one vote for each whole Share of which he is the holder at general meetings, a holder of Shares of any particular Class will be entitled at any separate meeting of the holders of Shares of that Class to one vote for each whole Share of that Class of which he is the holder. The board of directors may suspend the voting rights attached to all Shares held by a Shareholder who is in breach towards the Company of his obligations as specified in the Articles or under any subscription or commitment agreement.

A Shareholder may individually undertake not to exercise, permanently or temporarily, all or part of its voting rights. Such a waiver binds the relevant Shareholder and the Company as from its notification to the Company.

1.6 **Joint Holders**
The Company will register registered shares jointly in the names of not more than four holders should they so require. In such case the rights attaching to such a Share must be exercised jointly by all those parties in whose names it is registered except that verbal instructions will be accepted by the Company from any one joint holder in cases where verbal instructions are permitted pursuant to provisions of this Prospectus. Written instructions will be accepted by the Company from any one joint holder where all the holders have previously given written authority to the Transfer Agent to accept those instructions. Instructions accepted on either of such bases will be binding on all the joint holders concerned.

1.7 **Allotment of Shares**
The Directors are authorised without limitation to allot and issue Shares at any time at the current price per Share without reserving preferential subscription rights to existing shareholders.

1.8 **Directors**
The Articles provide for the Company to be managed by a board of Directors composed of at least three persons. Directors are elected by the shareholders. The Directors are vested with all powers to perform all acts of administration and disposition in the Company's interest. In particular the Directors have power to appoint any person to act as a functionary to the Fund.

No transaction between the Company and any other party shall be affected or invalidated by the mere fact that a director (or, in case a director is a legal person, any one of its directors, managers, officers or employees), is a director, manager, associate, member, shareholder, officer or employee of that other party. Any person related as described above to any company or firm with which the Company shall contract or otherwise engage in business shall not, by reason of such affiliation, be prevented from considering, voting or acting upon any matters with respect to such contract or other business.

1.9 **Indemnity**
The Company may indemnify any Director or officer against expenses reasonably incurred by him in connection with any proceedings to which he may be made a party by reason of such position in the Company or in any other company of which the Company is a shareholder or creditor and from which he is not entitled to be indemnified, except where due to gross negligence or wilful misconduct on his part.

1.10 **Winding up and Liquidation**
The Company may be wound up at any time by a resolution adopted by a general meeting of shareholders in accordance with the provisions of the Articles. The Directors must submit the question of the winding up of the Company to a general meeting of shareholders if the corporate capital falls below two-thirds of the minimum capital prescribed by law (the minimum capital is currently the equivalent of EUR1,250,000).

On a winding up, assets available for distribution amongst the shareholders will be applied in the following priority:

1.10.1 first, in the payment of any balance then remaining in the relevant Fund to the holders of Shares of each Class linked to the Fund, such payment being made in accordance with any applicable rights attaching to those Shares, and otherwise in proportion to the total number of Shares of all the relevant Classes held; and

1.10.2 secondly, in the payment to the holders of Shares of any balance then remaining and not comprised in any of the Funds, such balance being apportioned as between the Funds pro rata to the Net Asset Value of each Fund immediately prior to any distribution to shareholders on a winding up, and payment being made of the amounts so apportioned to the holders of Shares of each Class linked to that Fund in such proportions as the liquidators in their absolute discretion think equitable, subject to the Articles and Luxembourg law.

Liquidation proceeds not claimed by shareholders at close of liquidation of a Fund will be deposited at the Caisse de Consignation in Luxembourg and shall be forfeited after thirty years.

1.11 **Unclaimed Dividends**
If a dividend has been declared but not paid, and no coupon has

been tendered for such dividend within a period of five years, the Company is entitled under Luxembourg law to declare the dividend forfeited for the benefit of the Fund concerned. The Directors have, however, resolved as a matter of policy not to exercise this right for at least twelve years after the relevant dividend is declared. This policy will not be altered without the sanction of the shareholders in general meeting.

**Company Practice**

2. Shares will be divided into Classes each linked to a Fund. More than one Share Class may be linked to a Fund although, not all Share Classes are linked to each Fund. Currently, up to fifteen Share Classes (Class A, AI, B, C, D, DD, E, I, J, S, SI, SR, ZI, X and Z Shares) are available in Distributing and Non-Distributing format. They have no preferential or pre-emption rights and are freely transferable, save as referred to below. Non-Distributing Shares are referred to using the number 2. Distributing Shares are further referred to using the numbers 1 (distributing daily), 3 (distributing monthly), 4 (distributing annually), 5 (distributing quarterly), 6 (distributing monthly on the basis of expected gross income),8 (distributing monthly on the basis of expected gross income and any Interest Rate Differential arising from Share Class currency hedging) and 9 (distributing quarterly on the basis of expected gross income and at least equal to, or greater than, the Dividend Threshold Amount on an annual basis) (See the section entitled “Class and Form of Shares” for further details).

**Restrictions on Holding of Shares**

3. The Directors may impose or relax restrictions (including restrictions on transfer and/or the requirement that Shares be issued only in registered form) on any Shares or Share Classes (but not necessarily on all Shares within the same Class) as they may think necessary to ensure that Shares are neither acquired nor held by or on behalf of any person in circumstances giving rise to a breach of the laws or requirements of any country or governmental or regulatory authority on the part of that person or the Company, or listed on EU and/or United States sanctions lists, or resident and established in countries and territories listed on EU and/or United States sanctions lists, or which might have adverse taxation or other pecuniary consequences for the Company, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. The Directors may in this connection require a shareholder to provide such information as they may consider necessary to establish whether he is the beneficial owner of the Shares that he holds. In addition to the foregoing, the Directors may determine to restrict the issue of shares when it is in the interests of the Fund and/or its Shareholders to do so, including when the Company or any Fund reaches a size that could impact the ability to find suitable investments for the Company or Fund. The Directors may remove such restriction at their discretion.

   If the Company becomes aware that any Shares are owned directly or beneficially by any person in breach of any law or requirement of a country or governmental or regulatory authority, or otherwise in the circumstances referred to in this paragraph, the Directors may require the redemption of such Shares, decline to issue any Share and register any transfer of any Share or suspend the voting rights at any meeting of Shareholders of the Company of any person who is precluded from holding Shares at any meeting of the shareholders of the Company.

4. The Directors have resolved that no US Persons will be permitted to own Shares. The Directors have resolved that “US Person” means any US resident or other person specified in Regulation S under the US Securities Act of 1933 as amended from time to time and as may be further supplemented by resolution of the Directors.

   If a shareholder currently resident outside the US becomes resident in the US (and consequently comes within the definition of a US Person), that shareholder will be required to redeem its Shares.

5. Class I Shares, Class J Shares, Class SI Shares and Class X Shares are only available to Institutional Investors within the meaning of Article 174 of the 2010 Law. As at the date of this Prospectus, Institutional Investors shall include:

5.1 banks and other professionals of the financial sector, insurance and reinsurance companies, social security institutions and pension funds, industrial, charitable institutions, commercial and financial group companies, all subscribing on their own behalf, and the structures which such investors put into place for the management of their own assets;

5.2 credit institutions and other professionals of the financial sector established in or outside Luxembourg investing in their own name but on behalf of Institutional Investors as defined above;

5.3 credit institutions and other professionals of the financial sector established in or outside Luxembourg which invest in their own name but on behalf of their clients on the basis of a discretionary management mandate;

5.4 CIS established in or outside Luxembourg;

5.5 holding companies or similar entities, whether Luxembourg based or not, whose shareholders/beneficial owners are individual person(s) who are wealthy and may reasonably be regarded as sophisticated investors and where the purpose of the holding company is to hold important financial interests/investments for an individual or a family;

5.6 a holding company or similar entity, whether Luxembourg based or not, which as a result of its structure, activity and substance constitutes an Institutional Investor;

5.7 holding companies or similar entities, whether Luxembourg based or not, whose shareholders are Institutional Investors as described in the foregoing paragraphs; and/or

5.8 national and regional governments, central banks, international or a supranational institutions and other similar organisations.

**Funds and Share Classes**

6. The Company operates separate investment “Funds” and within each Fund separate Share Classes are linked to that Fund. Pursuant to Article 181 of the 2010 Law, each Fund is only liable for the liabilities attributable to it.

7. Shares may be issued with or have attached thereto such preferred, deferred or other special rights, or such restrictions whether in regard to dividend, return of capital, conversion, transfer, the price payable on allotment or otherwise as the Directors may from time to time determine and such rights or restrictions need not be attached to all Shares of the same Class.

8. The Directors are permitted to create more than one Share Class linked to a single Fund. This allows, for example, the creation of accumulation and distribution Shares, Shares with different dealing currencies or Share Classes with different features as regards participation in capital and/or income linked to the same Fund; and also permits different charging structures. The Directors are also permitted, at any time, to close a particular Share Class, or, subject to at least 30 days’ prior notice to the shareholders of the relevant Class, to decide to merge such Class with another Share Class of the same Fund. The Articles provide that certain variations of the rights attached to a Share Class may only be made with the sanction of a Class meeting of holders of Shares of that Class.

9. The Directors may require redemption of all the Shares linked to a particular Fund if the Net Asset Value of the relevant Fund falls below USD50 million (or the equivalent in any relevant Dealing

Currency). The Articles also permit the Directors to notify shareholders of the closure of any particular Fund where they deem it in the interests of the shareholders or appropriate because of changes in the economic or political situation affecting the Fund but in such circumstances the Directors intend as a matter of policy to offer holders of any Share Classes a free transfer into the same Share Class of other Funds. As described in more detail in the Company's Articles, the shareholders of a Fund may request the convening of a general meeting by a requisition of shareholders representing at least one tenth of the outstanding shares of such Fund to dissolve such Fund. As an alternative, the board of directors shall have the power, in accordance with the provisions of the 2010 Law, to merge a Fund, either as absorbing or as absorbed Fund, with another Fund of the Company or with another UCITS (or sub-fund thereof) (whether established in Luxembourg or another Member State and whether incorporated as a company or as a contractual type fund). The Company shall send a notice to the shareholders of the relevant Funds in accordance with the provisions of CSSF Regulation 10-5 as such regulation may be amended or replaced from time to time. Every shareholder of the relevant Funds shall have the opportunity of requesting the redemption or the conversion of his own shares without any cost (other than the cost of disinvestment) during a period of at least 30 days before the effective date of the merger, it being understood that the effective date of the merger takes place within five business days after the expiry of such notice period.

A Fund may be terminated in circumstances other than those mentioned above with the consent of a majority of the Shares present or represented at a meeting of all shareholders of the Share Classes of that Fund (at which no quorum requirement will apply). To the extent applicable, where a Fund is terminated the redemption price payable on termination will be calculated on a basis reflecting the realisation and liquidation costs on terminating the Fund.

The Directors have power to suspend dealings in the Shares linked to any Fund where it is to be terminated or merged in accordance with the above provisions. Such suspension may take effect at any time after the notice has been given by the Directors as mentioned above or, where the termination or merger requires the approval of a meeting of holders, after the passing of the relevant resolution. Where dealings in the Shares of the Fund are not suspended, the prices of Shares may be adjusted to reflect the anticipated realisation and liquidation costs or transaction costs mentioned above.

**Valuation Arrangements**

10. Under the Articles, for the purpose of determining the issue and redemption price per Share, the net asset value of Shares shall be determined as to the Shares of each Share Class by the Company from time to time, but in no instance less than twice monthly, as the Directors may direct.

11. The Directors' policy in respect of all Funds except the Multi-Theme Equity Fund, is normally to deal with requests received before 12 noon Luxembourg time on a Dealing Day (the "Cut-Off Point" for all Funds except the Multi-Theme Equity Fund) on that day; and other requests are normally dealt with on the next Dealing Day. The Directors' policy in respect of the Multi-Theme Equity Fund is normally that requests received before 12 noon Luxembourg time one Business Day before the relevant Dealing Day (the "Cut-Off Point" for the Multi-Theme Equity Fund) will be dealt with on such relevant Dealing Day; and requests received after this point will normally be dealt with on the next available Dealing Day. Forward dated requests will not be accepted and will be rejected or processed on the next Dealing Day at the discretion of the Directors.

**Net Asset Value and Price Determination**

12. All prices for transactions in Shares on a Dealing Day are based on the Net Asset Value per Share of the Share Classes concerned, as shown by a valuation made at a time or times determined by the Directors. The Directors currently operate "forward pricing" for all Funds and Share Classes, i.e., prices are calculated on the Dealing Day concerned after the closing time for acceptance of orders (see section "Dealing in Fund Shares, Daily Dealing"). Prices in respect of a Dealing Day are normally published on the next Business Day. Neither the Company nor the Depositary can accept any responsibility for any error in publication, or for non-publication of prices or for any inaccuracy of prices so published or quoted. Notwithstanding any price quoted by the Company, by the Depositary or by any distributor, all transactions are effected strictly on the basis of the prices calculated as described above. If for any reason such prices are required to be recalculated or amended, the terms of any transaction effected on the basis of them will be subject to correction and, where appropriate, the investor may be required to make good any underpayment or reimburse any overpayment as appropriate. Periodic valuations of holdings in any Fund or Share Class may be supplied by arrangement with the local Investor Servicing teams.

13. The Net Asset Value of each Fund, calculated in its Base Currency, is determined by aggregating the value of securities and other assets of the Company allocated to the relevant Fund and deducting the liabilities of the Company allocated to that Fund. The Net Asset Value per Share of the Share Classes of a particular Fund will reflect any adjustment to the Net Asset Value of the relevant Fund described in paragraph 17.3) below and will differ as a result of the allocation of different liabilities to those Classes (see section "Fees, Charges and Expenses" and as a result of dividends paid.

14. In general, securities and other assets are valued as follows:

Foreign securities or assets denominated in another currency than the base currency of the relevant Fund are valued at the applicable foreign exchange rate against the Base Currency of each Fund.

The value of any securities (including listed derivatives) and other assets is determined by the last known prices upon close of the stock exchange on which those securities or assets are traded or admitted for trading.

The value of any securities or assets traded on any other regulated market is determined in the same way. Where such securities or other assets are quoted or dealt in on or by more than one stock exchange or regulated market the Directors may in their discretion select one of such stock exchanges or regulated markets for such purposes.

For securities or assets traded on markets closing after the time of the valuation, last known prices as of this time or such other time may be used. If net transactions in Shares of the Fund on any Dealing Day exceed the threshold referred to in paragraph 17.3 below, then additional procedures apply. Shares or units in investment funds managed by the Management Company or any of its associates shall be valued using prices based on the current day's net asset value where these are calculated and available prior to the valuation point. Where the net asset value is calculated after the valuation point, or the current day's net asset value is not available, the latest available published price will be used. If bid and offer prices are published, the mid of the bid price and discounted offer price will be used (the "mid-price"). For these purposes, the discounted offer price is the offer price less any discounted sales charge. Shares or units in other investment funds shall be valued at the last published net asset value or (if bid and offer prices are published) the mid-price. Where possible, swaps are marked to market based upon daily prices obtained from third party pricing agents and verified against the quotations of the actual market maker. Where third party prices are not available, swap prices are based upon daily quotations available from the market maker.

Cash, bills payable on demand and other debts and prepaid expenses are valued at their nominal amount, unless it appears unlikely that such nominal amount is obtainable.

Unlisted or over the counter derivatives prices are obtained from third party pricing vendors.

15. If a security is not traded on or admitted to any official stock exchange or any regulated market, or in the case of securities so traded or admitted the last known price is not considered to reflect their true value, the Directors will value the securities concerned with prudence and in good faith on the basis of their expected disposal or acquisition price.

16. If in any case a particular value is not ascertainable by the methods outlined above, or if the Directors consider that some other method of valuation more accurately reflects the fair value of the relevant security or other asset for the purpose concerned, the method of valuation of the security or asset will be such as the Directors in their absolute discretion decide. Discrepancies in the value of securities may result, for example, where the underlying markets are closed for business at the time of calculating the Net Asset Value of certain Funds or where governments chose to impose fiscal or transaction charges on foreign investment. The Directors may set specific thresholds that, where exceeded, result in adjustment to the value of these securities to their fair value by applying a specific index adjustment.

The Company makes use of the "BlackRock EMEA Pricing Committee" in the context of the performance and oversight of the pricing and valuation functions for the Funds. In the case of hard to price securities or assets, the process outlined above is used to determine the most appropriate fair values. The BlackRock EMEA Pricing Committee has safeguards in place to ensure the functional independence of the valuation task.

17.1 Under current procedures adopted by the Directors the price for all Share Classes of any Fund is the Net Asset Value per relevant Class of that Fund calculated to the nearest unit (rounded to up to four decimal places) of the relevant Dealing Currency.

17.2 For those Funds with more than one Dealing Currency, the additional Dealing Currency prices are calculated by converting the price at the relevant spot exchange rate at the time of valuation.

17.3 The Directors may adjust the Net Asset Value per Share for a Fund in order to reduce the effect of "dilution" on that Fund. Dilution occurs when the actual cost of purchasing or selling the underlying assets of a Fund deviates from the carrying value of these assets in the Fund's valuation, due to factors such as dealing and brokerage charges, taxes and duties, market movement and any spread between the buying and selling prices of the underlying assets. Dilution may have an adverse effect on the value of a Fund and therefore impact shareholders. By adjusting the Net Asset Value per Share this effect can be reduced or prevented and shareholders can be protected from the impact of dilution. The Directors may adjust the Net Asset Value of a Fund if on any Dealing Day the value of aggregated cash flows of all Share Classes of that Fund results in a net increase or decrease which exceeds one or more thresholds that are set by the Directors for that Fund. The amount by which the Net Asset Value of a Fund may be adjusted on any given Dealing Day is related to the anticipated cost of market dealing for that Fund. In such circumstances the Net Asset Value of the relevant Fund may be adjusted by an amount not exceeding 1.50%, or 3% in the case of fixed income Funds, of that Net Asset Value. Under exceptional circumstances the Directors may, in the interest of Shareholders, decide to temporarily increase the maximum swing factor indicated above and inform investors thereof. The adjustment will be an addition when the net movement results in an increase in the value of all Shares of the Fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, particularly in relation to duties and taxes, the resulting adjustment may be different for net inflows than for net outflows. In addition, the Directors may also agree to include extraordinary fiscal charges in the amount of the adjustment. These extraordinary fiscal charges vary from market to market and are currently expected not to exceed 2.5% of that Net Asset Value. Where a Fund invests primarily in certain asset types, such as government bonds or money market securities, the Directors may decide that it is not appropriate to make such an adjustment. Shareholders should note that due to adjustments being made to the Net Asset Value per Share, the volatility of a Fund's Net Asset Value per Share may not fully reflect the true performance of the Fund's underlying assets.

18. This section 18 applies to the funds which are categorised as Short Term VNAV Money Market Funds under the MMF Regulations only. In accordance with the requirements of the MMF Regulations, the following shall apply:

The Assets of the relevant Fund shall be valued on at least a daily basis using mark-to-market process whenever possible. When using mark-to-market:

1. the relevant asset shall be valued at the more prudent side of bid and offer unless the asset can be closed out at mid-market;

2. only good quality market data shall be used; such data shall be assessed on the basis of all of the following factors:

(a) the number and quality of the counterparties;

(b) the volume and turnover in the market of the relevant asset;

(c) the issue size and the portion of the issue that the Fund plans to buy or sell.

Where use of mark-to-market is not possible or the market data is not of sufficient quality, an asset of a MMF shall be valued conservatively by using mark-to-model.

The model shall accurately estimate the intrinsic value of the asset of a MMF, based on all of the following up-to-date key factors:

1. the volume and turnover in the market of that asset;

2. the issue size and the portion of the issue that the MMF plans to buy or sell;

3. market risk, interest rate risk, credit risk attached to the asset.

When using mark-to-model, the amortised cost method shall not be used.

The NAV per unit or share shall be calculated as the difference between the sum of all assets of the relevant Fund and the sum of all liabilities of that Fund valued in accordance with mark-to-market or mark-to-model, or both, divided by the number of outstanding units or shares of that Fund.

The NAV per unit or share shall be rounded to the nearest basis point or its equivalent when the NAV is published in a currency unit.

The NAV per unit or share of the relevant Fund shall be calculated and published at least daily on the product pages of www.blackrock.com.

Shares of the MMFs shall be issued and redeemed at a price that is equal to the relevant Fund's NAV per share, notwithstanding permitted fees or charges as specified in this Prospectus.

**Redemption and Deferred Sales Charges**

19.1 The Directors are entitled to levy a discretionary redemption charge on shareholders of all Share Classes where they believe that excessive trading is being practised.

19.2 On redemption of Class C Shares, the relevant CDSC rate is charged on the lower of (i) the price of the redeemed shares on the Dealing Day for redemption or (ii) the price paid by the shareholder for the original purchase of the redeemed shares or for the shares from which they were converted or exchanged, in either case calculated in the relevant Dealing Currency of the redeemed shares.

19.3 On redemption of Class B Shares, the relevant CDSC rate is charged on the price of the redeemed shares on the Dealing Day for redemption, calculated in the relevant Dealing Currency of the redeemed shares.

19.4 No CDSC will be levied on the redemption of (a) Class C Shares derived from reinvestment of dividends; or (b) Class C Shares in the Reserve Funds (provided they were not converted from Shares of a non-Reserve Fund).

19.5 The CDSC is levied by reference to the "Relevant Holding Period", which is an aggregate of the periods during which (a) the redeemed shares, and (b) the shares from which they were derived (if any) as a result of conversion or exchange, were held in any Fund except a Reserve Fund or any other exchangeable money market funds.

In cases where redeemed shares are only part of a larger holding of Class C Shares respectively, any Shares acquired by dividend reinvestment will be redeemed first; and where the holding consists of Class C Shares acquired at different times, it will be assumed that those acquired first are redeemed first (thus resulting in the lowest CDSC rate possible).

Where the redeemed shares have a different dealing currency to the Shares (or similar shares from which they were converted or exchanged) originally purchased, for purposes of determining the CDSC the price paid for the latter will be converted at the spot exchange rate on the Dealing Day for redemption.

The CDSC may be waived or reduced by the relevant distributor at its discretion or for shareholders who, after purchasing Class C Shares, become US Persons and are required to redeem their Shares as a result (see paragraph 4. above).

**Conversion**

20. The Articles allow the Directors on issuing new Share Classes to impose such rights of conversion as they determine, as described in paragraph 7. above. The basis of all conversions is related to the respective Net Asset Values per Share of the relevant Class of the two Funds concerned.

21. The Directors have determined that the number of Shares of the Class into which a shareholder wishes to convert his existing Shares will be calculated by dividing (a) the value of the number of Shares to be converted, calculated by reference to the Net Asset Value per Share by (b) the Net Asset Value per Share of the new Class. This calculation will be adjusted where appropriate by the inclusion of a conversion charge (see paragraph 22. below) or a delayed initial charge on Class A, Class D, Class DD or Class E Shares (see paragraph 22. below). No conversion charge will be made when a delayed initial charge is payable. If applicable, the relevant exchange rate between the relevant Dealing Currencies of the Shares of the two Funds will be applied to the calculation.

The Net Asset Value(s) per Share used in this calculation may reflect any adjustment(s) to the Net Asset Value(s) of the relevant Fund(s) described in paragraph 17.3 above.

22. Conversions are permitted between different Share Classes of the same Fund or of different Funds, subject to the limitations set out under the section "Switching Between Funds and Share Classes" and provided investors and/or the holding (as appropriate) meet the specific eligibility criteria for each Share Class set out above (see "Classes and Form of Shares").

Selected distributors may impose a charge on each conversion of those Shares acquired through it, which will be deducted at the time of conversion and paid to the relevant distributor. While other conversions between the same Share Class of two Funds are normally free of charge, the Management Company may, at its discretion (and without prior notice), make an additional conversion charge which would increase the amount paid to up to up to a maximum of 2% if excessively frequent conversions are made. Any such charges will be deducted at the time of conversion and paid to the relevant distributor or the Principal Distributor (as applicable).

When Class A, Class AI, Class D, Class DD or Class E Shares of a Reserve Fund resulting from a direct investment into that or any other Reserve Fund ("direct Shares") are converted for the first time into Class A, Class AI, Class D, Class DD or Class E Shares of a non-Reserve Fund, a delayed initial charge of up to 5% of the price of the new Class A Shares, Class AI, Class D or Class DD Shares or up to 3% of the price of the new Class E Shares (where applicable) may be payable to the Management Company. Where a Reserve Fund holding includes both direct Shares and Shares acquired as a result of a conversion from Shares in any Fund other than a Reserve Fund ("ordinary Shares") a partial conversion of the holding will be treated as a conversion of the direct Shares first and then of the ordinary Shares.

The Directors reserve the right to waive or vary these requirements and also to amend their policy if they consider it appropriate to do so, either generally or in particular circumstances.

**Settlement on Redemptions**

23. Payment of an amount to a single shareholder in excess of USD500,000 may be deferred for up to seven Business Days beyond the normal settlement date. The redemption price may be payable in specie as explained in paragraph 25. below. As a result of money laundering prevention requirements and fight against terrorism financing, concerns related to international sanctions adherence, or in relation to fraud prevention, redemption proceeds may be withheld. The Company reserves the right to extend the period of payment of redemption proceeds to such period, not exceeding eight Business Days, as shall be necessary to repatriate proceeds of the sale of investments in the event of impediments due to exchange control requirements or similar constraints in the markets in which a substantial part of the assets of the Company are invested or in exceptional circumstances where the liquidity of the Company is not sufficient to meet the redemption requests.

**In Specie Applications and Redemptions**

24. The Management Company may accept subscriptions in specie, or partly in cash and in specie, subject always to the minimum initial subscription amounts and the additional subscription amounts and provided further that the value of such subscription in specie (after deduction of any relevant charges and expenses) equals the subscription price of the Shares. Such securities will be valued on the relevant Dealing Day and, in accordance with Luxembourg law, may be subject to a special report of the Auditor.

25. The Management Company may, subject to the prior consent of a shareholder and to the minimum dealing and holding amounts, effect a payment of redemption proceeds in specie by allocating to the shareholder investments from the portfolio of the relevant Fund equal in value (calculated in the manner referred to in paragraphs 14. and 15. above) to the price of the relevant Shares to be redeemed (net of any applicable CDSC in the case of Class B and Class C Shares). The nature and type of asset to be transferred in such case will be determined on an equitable basis and without prejudicing the interests of the other holders of Shares of the same Class, and will be valued on the relevant Dealing Day. In accordance with Luxembourg law, such valuation may be subject to a special report of the Auditor. In specie applications and redemptions may attract transaction taxes depending on the assets in question. In the case of an in specie redemption these taxes will be at the charge of the investor. Investors should inform themselves of, and when appropriate consult their professional advisers on the possible tax consequences of redeeming their shareholding in this way, under the laws of their country of citizenship, residence or domicile. Investors should note that the levels and bases of, and relief from, taxation can change.

In specie applications and redemptions may not always be possible, practicable or cost efficient and may have an adverse impact on existing shareholders. The Management Company has sole discretion to refuse requests for in specie applications and redemptions.

**Dealings in Shares by the Principal Distributor**

26. The Principal Distributor, may as principal acquire and hold Shares and may at its sole discretion satisfy, in whole or in part, an application or request for the issue, redemption or conversion of such Shares by selling Shares to and/or buying them from the applicant, as appropriate, provided that the applicant consents to such transaction. Shareholders will be deemed to have consented to deal with the Principal Distributor unless they have expressly informed the Transfer Agent to the contrary. Any such transaction will be effected on the same terms as to price and settlement as would have applied in the case of a corresponding issue, redemption or conversion of Shares (as relevant) by the Company. The Principal Distributor is entitled to retain any benefit arising from these transactions.

**Default in Settlement**

27. Where an applicant for Shares fails to pay settlement monies on subscription or to provide a completed application form for an initial application by the due date, the Directors may, in accordance with the Company's Articles, cancel the allotment or, if applicable, redeem the Shares. Redemption or conversion instructions may be refused or treated as though they have been withdrawn if payment for the Shares has not been made or a completed initial application form has not been received by the Company. In addition, no dealings will be effected following a conversion instruction and no proceeds will be paid on a redemption until all documents required in relation to the transaction have been provided to the Company. **An applicant may be required to indemnify the Company or, as described below, the Principal Distributor against any losses, costs or expenses incurred directly or indirectly as a result of the applicant's failure to pay for Shares applied for or to lodge the required documents by the due date.**

In computing any losses covered under this paragraph 27., account shall be taken, where appropriate, of any movement in the price of the Shares concerned between the transaction date and cancellation of the transaction or redemption of the Shares, and of the costs incurred by the Company or, if applicable, the Principal Distributor in taking proceedings against the applicant.

The Principal Distributor has agreed to exercise its discretion to take steps to avoid the Company suffering losses as a result of late settlement by any applicant. In cases where payment for Shares is not made on a timely basis, the Principal Distributor may assume ownership of the Shares and it shall also have the right to give instructions to the Company to make any consequent alterations in its register of shareholders, delay the completion of the relevant transaction, redeem the Shares in question, claim indemnification from the applicant and/or take proceedings to enforce any applicable indemnity, all to the same extent that the Company itself may do so.

The Company has instructed the Depositary that any interest benefit that may arise as a result of the early settlement of Share subscriptions and late clearance of redemption proceeds may be set off against any interest obligation that the Principal Distributor may incur as a result of its arrangements to protect the Company from losses from the late settlement of Share subscriptions. The Principal Distributor will benefit from interest earned on any balances held in client money accounts. No interest is paid to shareholders by the Principal Distributor in respect of amounts relating to individual transactions.

**Compulsory Redemption**

28. If at any time the Net Asset Value of the Company is less than USD100 million (or equivalent), all Shares not previously redeemed may be redeemed by notice to all shareholders. There is a similar power to redeem Shares of any Class if the Net Asset Value of the Fund to which that Class is linked falls below USD50 million (or equivalent), or in the circumstances described in paragraphs 3., 4. and 9. above.

**Limits on Redemption and Conversion**

29. The Company will not be bound to redeem or convert on any one Dealing Day more than 10% of the value of Shares of all Classes of a Fund then in issue or deemed to be in issue, as described in paragraph 32. below.

**Suspension and Deferrals**

30. Valuations (and consequently issues, redemptions and conversions) of any Share Class of a Fund may be suspended in certain circumstances including:

- the closure (otherwise than for ordinary holidays) of or suspension or restriction of trading on any stock exchange or market on which are quoted a substantial proportion of the investments held in that Fund;
- the existence of any state of affairs which constitutes an emergency as a result of which disposals or valuation of assets owned by the Company attributable to Share Classes would be impracticable;
- any breakdown in the means of communication normally employed in determining the price or value of any of the investments of such Share Classes or the current price or values on any stock exchange or other market;
- any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of shares cannot in the opinion of the directors be effected at normal rates of exchange;
- any period when the net asset value per share of any subsidiary of the Company may not be accurately determined;
- where notice has been given or a resolution passed for the closure or merger of a Fund as explained in paragraph 9.;

- in respect of a suspension of the issuing of Shares only, any period when notice of winding up of the Company as a whole has been given;
- following a decision to merge a Fund or the Company, if justified with a view to protecting the interest of shareholders;
- in case a Fund is a Feeder of another UCITS (or a sub-fund thereof), if the net asset value calculation of the Master UCITS (or the sub-fund thereof) is suspended;
- in addition, in respect of Funds that invest a substantial amount of assets outside the European Union, the Management Company may also take into account whether local relevant local exchanges are open and may elect to treat such closures (including ordinary holidays) as non Business Days for those Funds. Please see definition of Business Day in the Glossary.

31. Each period of suspension shall be published, if appropriate, by the Company. Notice will also be given to any shareholder lodging a request for redemption or conversion of Shares.

32. The Company will also not be bound to accept instructions to subscribe for, and will be entitled to defer instructions to redeem or convert any Shares of a Fund on any one Dealing Day if there are redemption or outgoing conversion orders that day for all Share Classes of that Fund with an aggregate value exceeding a particular level (currently fixed at 10%) of the approximate value of that Fund. In addition, the Company may defer redemptions and conversions in exceptional circumstances that may, in the opinion of the Directors, adversely affect the interests of holders of any Class or Share Classes of that Fund. In either case, the Directors may declare that redemptions and conversions will be deferred until the Company has executed, as soon as possible, the necessary realisation of assets out of the Fund concerned or until the exceptional circumstances cease to apply. Redemptions and conversions so deferred will be done on a pro rata basis and will be dealt with in priority to later requests.

33. During a period of suspension or deferral a shareholder may withdraw his request, in respect of any transaction which is deferred or suspended, by notice in writing to the Company. Such notice will only be effective if received before the transaction is effected.

Shareholders may not redeem a holding of the Company's Shares unless and until cleared funds have been received by the Company in respect of that holding.

**Transfers**

34. The transfer of registered shares may normally be effected by delivery to the Transfer Agent of an instrument of transfer in appropriate form. If a transfer or transmission of Shares results in a holding on the part of the transferor or the transferee having a value of less than a prescribed minimum the Directors may require the holding to be redeemed. The current minimum is USD5,000 or equivalent, and, for Class ZI Shares, USD 25 million, except for Class D Shares, Class DD Shares, Class I Shares, Class J Shares, Class S Shares, Class SI Shares, Class X Shares and Class Z Shares, where there is no prescribed minimum holding size once the initial subscription amount has been made.

**Probate**

35. Upon the death of a shareholder, the Directors reserve the right to require the provision of appropriate legal documentation to evidence the rights of the shareholder's legal successor. Upon the death of a shareholder whose investment is held jointly with another shareholder, where permitted by applicable law, ownership of the investment will be transferred to the name of the surviving shareholder.

**Dividends**

36. The Articles impose no restriction on dividends other than the requirement to maintain the statutory minimum level of capital (currently the equivalent of EUR1,250,000). The Directors have the power to pay interim dividends in respect of any Fund. The current dividend policy of the Directors is explained in the section "Dividends".

**Changes of Policy or Practice**

37. Except as otherwise provided in the Articles, and subject to any legal or regulatory requirements, the Directors reserve the right to amend any practice or policy stated in this Prospectus. The Management Company may, in the interests of shareholders and subject to the discretion of the Directors, vary or waive the operational procedures of the Company.

**Intermediary Arrangements**

38. Where Shares are issued by the Company to financial institutions (or their nominees) which act as intermediaries, the benefits and obligations described in this Prospectus may be applied by the Company to each of the intermediary's clients as if such client were a direct shareholder.

**Money Market Funds - Transparency**

39. With respect to any funds subject to the MMF Regulations. The Management Company shall, at least weekly, make all of the following information available to the MMF's investors:

(a) the maturity breakdown of the portfolio of the MMF;

(b) the credit profile of the MMF;

(c) the WAM and WAL of the MMF;

(d) details of the 10 largest holdings in the MMF, including the name, country, maturity and asset type, and the counterparty in the case of repurchase and reverse repurchase agreements;

(e) the total value of the assets of the MMF;

(f) the net yield of the MMF.

## Appendix C – Additional Information

**History of the Company**

1. The Company is registered under Number B.6317 at the Register of Commerce and Companies of Luxembourg where its Articles of Association are available for inspection and where copies thereof may be obtained upon request (and see also paragraph 27. below).

2. The Company's constitution is defined in the Articles. The original Articles were published in the Recueil des Sociétés et Associations du Mémorial of the Grand-Duchy of Luxembourg on 21st July 1962. The Articles have been amended and restated several times, most recently on 4 February 2019, with publication in the RESA on 25 February 2019.

3. The Company was incorporated as Selected Risk Investments S.A. on 14th June 1962.

4. With effect from 31st December 1985 the name of the Company was changed to Mercury Selected Trust, the Company adopted the legal status of a société d'investissement à capital variable (SICAV) and was reconstituted to enable it to issue different Share Classes. It qualifies as an Undertaking for Collective Investment in Transferable Securities.

   With effect from 1 July 2002 the name of the Company changed to Merrill Lynch International Investment Funds.

   With effect from 28 April 2008 the name of the Company changed to BlackRock Global Funds.

   With effect from 16 September 2005 the Company was submitted to Part I of the 20 December 2002 law that implemented Directives 2001/107/EC and 2001/108/EC.

   With effect from 16 September 2005 the Company has appointed BlackRock (Luxembourg) S.A. (previously named Merrill Lynch Investment Managers (Luxembourg) S.A.) as its management company.

   With effect from 4 February 2019 the Company's articles were amended to account for the provisions of the MMFR Regulations.

5. As from the date of this Prospectus, Shares are offered solely on the basis of this Prospectus, which supersedes all previous versions.

**Directors' Remuneration and Other Benefits**

6. The Articles contain no express provision governing the remuneration (including pension or other benefits) of the Directors. The Directors receive fees and out-of-pocket expenses from the Company. For Directors who are not employees of the BlackRock Group, the annual fees received by them are from time to time disclosed in the annual report of the Company. The BlackRock Group employees serving as Directors of the Company are not entitled to receive fees.

**Auditor**

7. The Company's auditor is Ernst & Young S.A., 35E avenue John F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg.

**Administrative Organisation**

8. **The Investment Advisers and Sub-Investment Advisers**
   The Management Company is entitled to delegate its investment management functions to any of its subsidiaries or associates and any other person. The Management Company has delegated some functions to the Investment Advisers, BlackRock Financial Management, Inc., BlackRock Investment Management, LLC, BlackRock Investment Management (UK) Limited and BlackRock (Singapore) Limited as described in the section "Investment Management of the Funds", "Management".

   In the case of certain Funds, BlackRock Investment Management (UK) Limited has in turn sub-delegated some functions to BlackRock Japan Co., Ltd. whose registered office is at 1-8-3 Marunouchi, Chiyoda-ku, Tokyo 100-8217, Japan, BAMNA whose registered office is at 16/F Champion Tower, 3 Garden Road, Central Hong Kong, to BlackRock Investment Management (Australia) Limited Lv. 37 Chifley Tower, 2 Chifley Square, Sydney NSW 2000 Australia, and to BlackRock Saudi Arabia whose registered office is at Laysen Valley, Building 7976 Salim Ibn Abi Bakr Shaikan St West Umm Al Hamam District, 2223, Riyadh 12329, Saudi Arabia.

   Information about the Investment Advisers and, if applicable, Sub-Advisers for a specific Fund is available upon request from the Company's registered office and the local Investor Servicing team.

9. **The Principal Distributor**
   BlackRock Investment Management (UK) Limited is the Principal Distributor and was incorporated with limited liability in England on 16th May 1986 for an unlimited period. The Management Company has entered into an agreement with the Principal Distributor for the provision of distribution, promotion and marketing services.

   The registered office of the Principal Distributor is at 12 Throgmorton Avenue, London EC2N 2DL, UK. The Principal Distributor is regulated by the Financial Conduct Authority.

   The Principal Distributor has appointed BlackRock (Channel Islands) Limited, a company incorporated with limited liability in Jersey on 10th August 1972 for an unlimited period ("BCI") to carry out certain administration services.

   The registered office of BCI is at Aztec Group House, 11-15 Seaton Place, St Helier, Jersey JE4 0QH, Channel Islands.

10. **Investor Servicing**
    The Management Company has entered into an Agreement with various BlackRock Group companies for the provision of dealing facilities and related investor support functions.

11. **The Depositary**
    The Company has entered into a Depositary Agreement with the Depositary whereby the Depositary has agreed to act as custodian of the assets of the Company and to assume the functions and responsibilities of a custodian under the 2010 Law and other applicable law. The Depositary will also act as depositary of the Company for the purposes of the UCITS Directive. The Depositary and Fund Accountant (see paragraph 12. below) is The Bank of New York Mellon SA / NV, Luxembourg Branch, incorporated with limited liability in Belgium on 30 September 2008 with registered capital of EUR 1,723,485,526.21 as at 31 December 2017. Its office / correspondence address is 2-4, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg and its registered office address is 2-4, rue Eugène Ruppert, L-2453 Luxembourg. Its ultimate holding company is The Bank of New York Mellon Corporation ("BNY") which is incorporated in the United States of America. The Depositary's and the Fund Accountant's principal business activity is the provision of custodial and investment administration services and treasury dealing.

    **The Duties of the Depositary**
    The Depositary shall act as the depositary of the Funds for the purposes of the UCITS Directive and, in doing so, will comply with the provisions of the UCITS Directive. In this capacity, the Depositary's duties shall include, amongst others, the following:

11.1 ensuring that each Fund's cash flows are properly monitored, and that all payments made by or on behalf of Shareholders upon the subscription of units of the Funds have been received;

11.2 safekeeping the assets of the Funds, which includes (a) holding in custody all financial instruments that may be registered in a financial instruments 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 of such assets and maintaining a record accordingly (the "Safekeeping Function");

11.3 ensuring that the sale, issue, re-purchase, redemption and cancellation of units of each Fund are carried out in accordance with the applicable national law and the Articles;

11.4 ensuring that the value of the units of each Fund is calculated in accordance with the applicable national law and the Articles;

11.5 carrying out the instructions of the Management Company, unless they conflict with the applicable national law or the Articles;

11.6 ensuring that in transactions involving each Fund's assets any consideration is remitted to the relevant Fund within the usual time limits; and

11.7 ensuring that the Funds' income is applied in accordance with the applicable national law;

11.8 The Depositary will allocate the safekeeping function in relation to certain financial instruments and/or cash of a Fund (as appropriate) to Bank of New York Mellon SA/NV.

The Depositary will further ensure, in accordance with the requirements of the UCITS Directive, 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. Assets of the Funds held in custody are only allowed to be reused where:

(a) the reuse of the assets is executed for the account of the Funds;

(b) the Depositary is carrying out the instructions of the Management Company;

(c) the reuse is for the benefit of the Fund and in the interest of the Shareholders; 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 has entered into written agreements delegating the performance of its Safekeeping Function in respect of certain investments to the delegates listed in Appendix F.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties, including affiliates for the provision of safekeeping and related services and as a result, potential conflict of interest situations may, from time to time, arise between the Depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds e.g. foreign exchange, securities lending, pricing or valuation services.

The Depositary also has in place policies and procedures in relation to the management of conflicts of interest between the Depositary, the Fund and the Management Company that may arise where a group link as defined in the applicable regulations exists between them. This may be the case where the Management Company has delegated certain administrative functions to an entity within the same corporate group as the Depositary.

In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws. Additionally, in order to address any situations of conflicts of interest, the Depositary has implemented and maintains a management of conflicts of interest policy, with the aim of:

(a) identifying and analysing potential situations of conflicts of interest;

(b) recording, managing and monitoring the conflict of interest situations by:

- relying on permanent measures to address conflicts of interest such as maintaining separate legal entities, segregating duties, separating reporting lines and maintaining insider lists for staff members; or
- implementing appropriate procedures on a case-by-case basis, such as establishing new information barriers, ensuring that operations are carried out at arm's length and/or informing the concerned Shareholders of the Company.

The Depositary has established a functional and hierarchical separation between the performance of its UCITS depositary functions and the performance of other tasks on behalf of the Company.

Up-to-date information on the Depositary, its duties, any conflicts of interest that may arise, the safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such delegations will be made available to Shareholders on request.

12. **The Fund Accountant**
The Management Company has entered into an agreement with the Fund Accountant whereby the Fund Accountant has agreed to provide fund accounting, Net Asset Value determination and services related to these functions. Subject to Luxembourg law and regulation the Fund Accountant is entitled to delegate specific functions to any other person, firm or company (with the approval of the Management Company and the regulatory authority).

13. **The Transfer Agent**
The Management Company has entered into a Transfer Agency Agreement with the Transfer Agent whereby the Transfer Agent has agreed to provide all necessary transfer agency functions including application and transaction processing, maintaining the share register, and services related to these functions.

14. **Relationship of Depositary and Fund Accountant with BlackRock Group**
The Depositary's and Fund Accountant's associates provide custody and fund accounting services to BlackRock Investment Management (UK) Limited and some of its associates in respect of their investment management business generally. Under agreements between companies in the BNY group and some companies in the BlackRock Group relating to the provision of

these services, payments due from the relevant companies in the BlackRock Group to BNY companies will be abated by the fees paid by the Company to the Depositary and Fund Accountant in respect of depositary and fund accounting services.

15. **The Paying Agents**

The Company has appointed the following as Paying Agents:

*Luxembourg*
(Central Paying Agent)
J.P. Morgan SE, Luxembourg Branch
6c, route de Trèves, Building C
L-2633, Senningerberg

*Italy*
Allfunds Bank, S.A.,
con sede legale in Estafeta, 6 (La Moraleja)
Complejo Plaza de la Fuente, Ed. 3
28109 Alcobendas, Madrid (Spagna)
e sede secondaria in Via Bocchetto, 6
20123 Milan

State Street Bank International Gmbh – Succursale Italia
Via Ferrante Aporti, 10
20125 Milan

Banca Monte Dei Paschi di Siena S.p.A
Piazza Salimbeni 3
53100 Siena

Société Générale Securities Services S.p.A,
Via Benigno Crespi,
19/A, MAC II,
20159 Milan

Banca Sella Holding S.p.A.
Piazza Gaudenzio Sella 1
13900 Biella

CACEIS Bank, Italy Branch
1-3 Place Valhubert
75206 Paris
Cedex 13 (France)
Operation address:
Piazza Cavour, 2
20121 Milan

*Poland*
Bank Handlowy w Warszawie S.A.
ul. Senatorska 16
00-923 Warsaw

*Switzerland*
State Street Bank International GmBH
Munich, Zurich branch,
Kalanderplatz 5,
CH- 8045 Zurich

**Fees, Charges and Expenses**

16. The Management Company is remunerated from the management fees based on the Net Asset Value of each Fund, at an annual rate as shown in Appendix E.

17. The Depositary receives annual fees, based on the value of securities, which accrue daily, plus transaction fees. The annual custody safekeeping fees range from 0.001% to 0.45% per annum and the transaction fees range from USD3 to USD108 per transaction, all such fees to be subject to change without prior notice. The rates for both categories of fees will vary according to the country of investment and, in some cases, according to asset class. Investments in bonds and developed equity markets will be at the lower end of these ranges, while some investments in emerging or developing markets will be at the upper end. Thus the custody cost to each Fund will depend on its asset allocation at any time.

The Company pays an Annual Service Charge to the Management Company of up to 0.25% per annum. The level of Annual Service Charge may vary at the Directors' discretion, as agreed with the Management Company, across Funds and Share Classes. It is accrued daily, based on the Net Asset Value of the relevant Share Class and paid monthly. The Annual Service Charge is used by the Management Company to meet all fixed and variable operating and administrative costs and expenses incurred by the Company, with the exception of the Depositary fees, Distribution fees, Securities Lending fees, any fees arising from borrowings (including for the avoidance of doubt any commitment fee that may be due to the lender), and any legal costs relating to European Union and non-European withholding tax reclaims plus any taxes thereon and any taxes at an investment or Company level. In addition taxes payable by the Company such as subscription taxes remain payable by the Company. The Annual Service Charge shall not exceed 0.25% per annum and any costs and expenses in excess shall be borne by the Management Company or another BlackRock Group Company. For further details, please refer to the "Annual Service Charge" section in the section entitled "Fees, Charges and Expenses" for further information.

18. The Principal Distributor is entitled to receive:

- the initial charge of up to 5% of the price of the Class A Shares, Class AI Shares, Class AJ Shares, Class D Shares and Class DD Shares issued, where levied;
- the initial charge of up to 3% of the Net Asset Value of the Class E Shares issued, where applicable and levied;
- the CDSC on redemptions;
- any delayed initial charge on Class A, Class AI, Class AJ, Class D, Class DD or Class E Shares, respectively;
- (for the benefit of the relevant Fund) the Management Company's charge on excessively frequent conversions of any Share Class (see paragraph 22. of Appendix B); and
- any distribution fees.

19. Subject to the approval of the Directors, the combined management fee and Annual Service Charge for any Fund may be increased up to a maximum of 2.25% in total by giving Shareholders at least three months' prior notice. Any increase to the combined management fee and Annual Service Charge above this level would require approval of Shareholders at an extraordinary general meeting. At least one month's notice will be given to Shareholders of any increase in the rates of other fees and charges specified in this Prospectus, unless prior Shareholder consent is required under the Company's Articles when at least one month's notice will be given from the date of such consent.

20. The Principal Distributor is entitled, at its sole discretion and without recourse or cost to the Company, to waive any initial charge, in whole or in part, or determine to make a rebate payment in respect of the payment of any fees charged in respect of any holding of Shares to any investor (including discounts on charges to directors and employees of the Principal Distributor and its affiliates in the BlackRock Group) or its distributors, authorised intermediaries or

other agents in respect of any subscriptions for, redemption or holdings of, Shares.

Rebates of any management fee or distribution fee will not exceed the amount of the management fee or distribution fee for each Fund as set out in Appendix E and will vary depending on the share class concerned, for instance, in respect of Class A Shares the average rebate will not exceed 45% of these fees although may be higher in respect of share classes which are available to certain distributors only. Rebates are not available for all share classes.

The terms of any rebate will be agreed between the Principal Distributor and the relevant investor from time to time. If so required by applicable rules, the investor shall disclose to any underlying clients the amount of any rebate on the management fee it receives from the Principal Distributor. The Management Company shall also disclose to Shareholders, upon request, details of any rebate paid by the Principal Distributor to an authorised intermediary in connection with a holding of Shares where the authorised intermediary has acted on behalf of that Shareholder. Payment of such rebates is subject to the Management Company and the Principal Distributor receiving their fees and charges from the Company.

As a result of the UK Regulator's Retail Distribution Review, neither the Management Company nor the Principal Distributor will be permitted to pay initial or renewal commission or rebate of the annual management charge to authorised intermediaries or to third party distributors or agents in respect of any subscriptions for, or holdings of, units for any UK retail investors in respect of investments made as a result of the investor having received a personal recommendation on or after 31 December 2012.

21. If a Fund is closed at a time when any expenses previously allocated to that Fund have not been amortised in full, the Directors shall determine how the outstanding expenses should be treated, and may, where appropriate, decide that the outstanding expenses should be met by the Fund as a liquidation expense.

22. Italian investors subscribing for Shares through Regular Savings Plans should refer to the subscription form for Italy for further details on the initial charge.

**Conflicts of Interest**

23. The Management Company 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 Management Company 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. This document, and the disclosable conflict scenarios, may be updated from time to time.

24. Conflicts of interest from relationships 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.

25. Conflicts of interest of the Management Company

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 Adviser and Management Company. 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 Management Company 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 Distributer 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.

Dealing Costs

Dealing costs are created when investors deal into and out of the Fund. There is a risk that other clients of the Fund bear the costs of those joining and leaving. BlackRock Group has policies and procedures in place to protect investors from the actions of others including anti-dilution controls.

26. Conflicts of interest of the Investment Adviser

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 adviser to the Funds may accept commissions generated when trading equities with certain brokers in certain jurisdictions. Commissions may be reallocated to purchase eligible research services. 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 only eligible services are purchased and excess commissions are reallocated to an eligible service provider where appropriate.

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 Adviser 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 Adviser 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 Adviser'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 Adviser may execute a client's order to buy the security by matching it with another client's order to sell the same security, a practice known as 'crossing'. When crossing orders, there is a risk that the execution may not be performed in the best interests of each client; for example, in the event that the price at which a trade was executed did not constitute a fair and reasonable price. BlackRock manages this risk by implementing a Global Crossing Policy, which sets out – among other things – the methodology for pricing 'cross' trades.

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 Adviser 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.

The entire proportion of a Fund's scheme property that may be invested in units of UCITS and/or other CIS may be sponsored or managed by the Management Company, Investment Adviser or an affiliate.

For investments in the units of other UCITS and/or other UCIs that are managed, directly or by delegation, by the Management Company itself or by any other company with which the Management Company is linked by common management or control, or by a substantial direct or indirect holding of more than 10% of the capital or voting rights no management, subscription or redemption fees may be charged to the Company on its investment in the units of such other UCITS and/or other UCIs.

Companies of the BlackRock Group which provide investment advisory services to the Funds, other UCITS and/or other UCIs, may also cause the Funds through those investment services, other UCITS and/or other UCIs to seed other products (including the Funds) sponsored or managed by the BlackRock Group.

With reference to Paragraph 4.5 of Appendix A, the Company has appointed BlackRock Advisors (UK) Limited as securities lending agent, under the terms of a securities lending management agreement, which in turn may sub-delegate the provision of securities lending agency services to other BlackRock Group companies. BlackRock Advisors (UK) Limited has the discretion to arrange stock loans with highly rated specialist financial institutions (the "counterparties"). Such counterparties can include associates of BlackRock Advisors (UK) Limited. Collateral is marked to market on a daily basis and stock loans are repayable upon demand. Under the terms of the securities lending management 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. At the cost of the Company, BlackRock Advisors (UK) Limited receives remuneration in relation to its activities above. Such remuneration amounts to 37.5% of the gross revenue from the activities.

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 Adviser 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 Adviser 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 Adviser 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 Adviser 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 Other Information**

27. Copies of the following documents (together with a certified translation thereof where relevant) are available for inspection during usual business hours on any weekday (Saturdays and Public Holidays excepted) at the registered office of the Company and at the offices of BlackRock (Luxembourg) S.A., 35A, avenue J. F. Kennedy, L-1855 Luxembourg:

27.1 the Articles of Association of the Company; and

27.2 the material contracts entered into between the Company and its functionaries (as varied or substituted from time to time).

A copy of the Articles of Association of the Company may be obtained free of charge at the above addresses.

28. Shares in the Company are and will continue to be made widely available. The intended categories of investor include both the general public as well as Institutional Investors. Shares in the Company will be marketed and made available sufficiently widely to reach the intended categories of investors and in a manner appropriate to attract these investors.

## Appendix D – Authorised Status

**This Prospectus does not constitute, and may not be used for the purposes of an offer or an invitation to apply for any Shares by any person: (i) in any jurisdiction in which such offer or invitation is not authorised; or (ii) in any jurisdiction in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation. The distribution of this Prospectus and the offering of Shares in certain jurisdictions not listed below may be restricted. Accordingly, persons into whose possession this Prospectus comes are required to inform themselves about and observe any restrictions as to the offer or sale of Shares and the distribution of this Prospectus under the laws and regulations of any jurisdiction not listed below in connection with any applications for Shares in the Company, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such jurisdiction. In certain jurisdictions no action has been taken or will be taken by the Company that would permit a public offering of Shares where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Prospectus other than in any jurisdiction where action for that purpose is required. The information below is for general guidance only and it is the responsibility of any prospective investor to comply with applicable securities laws and regulations.**

**Abu Dhabi Global Market**
This Prospectus may not be distributed in or from the Abu Dhabi Global Market ("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 may not be distributed to any investor who would be considered a retail client under COBs.**

This Prospectus relates to Funds which are not subject to any form of regulation or approval by the FSRA.

The FSRA accepts no responsibility for reviewing or verifying this Prospectus or any other related documents of the Funds. Accordingly, the FSRA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in the Prospectus of and has no responsibility for it.

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

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

**Australia**
Investors must read this Prospectus or any other disclosure document before making a decision to acquire Shares in the Company. The Company which is the issuer of this Prospectus is not licensed to provide financial product advice, within the meaning of the Corporations Act 2001 (Cth) in Australia.

The Company is not available for investment by retail clients within the meaning of the Corporations Act 2001 (Cth) and accordingly there is no product disclosure statement or cooling off regime for the Company.

Please note:

- investment in the Company can be subject to investment risk, including possible delays in repayment and loss of income and principal invested; and
- unless otherwise specified in this Prospectus, no guarantee is provided by the Company in relation to the success of the Company or the achievement of a particular rate or return on income or capital.

By investing in the Company, you acknowledge that you have read and understood the above disclosures.

**Austria**
The Company has notified the Financial Market Authority of its intention to distribute its Shares in Austria pursuant to Article 140 para 1 of the Investment Fund Act 2011 (InvFG 2011). This Prospectus is available in an English language version, which includes additional information for Austrian investors. The KIDs are also available in German.

**Bahrain**
If you are in any doubt about the contents of this prospectus, you should seek independent professional financial advice. Remember that all investments carry varying levels of risk and that the value of your investment may go down as well as up. Investments in this collective investment undertaking are not considered deposits and are therefore not covered by the Kingdom of Bahrain's deposit protection scheme. The fact that this collective investment undertaking has been authorised by the Central Bank of Bahrain, does not mean that the CBB takes responsibility for the performance of these investments, nor for the correctness of any statements or representations made by the operator of this collective investment undertaking. The Central Bank of Bahrain and the Bahrain stock exchange assume no responsibility for the accuracy and completeness of the statements and information contained in this document and expressly disclaim any liability whatsoever for any loss howsoever arising from reliance upon the whole or any part of the contents of this document.

**Belgium**
The Company has been registered with the Financial Services and Markets Authority in accordance with Article 154 of the Law of 3 August 2012 relating to certain forms of collective management of investment portfolios. A copy of the Prospectus of BlackRock Global Funds (in English and French), the Key Information Document (in English, French and Dutch), the Articles of Association (in English) and the latest periodical report (in English) can be obtained, free of charge, from the website www.blackrock.com/be, from BlackRock Luxembourg S.A. (35 A, avenue J.F. Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg) or from the Investor Services Team at: Investor.services@blackrock.com, telephone: 00 44 (0)207 743 3300.

**Brunei**
This Prospectus relates to a collective investment scheme which is not subject to any form of domestic regulation by the Brunei Darussalam Central Bank (the "Authority"). The Authority is not responsible for reviewing or verifying any prospectus or other documents in connection with this collective investment scheme. The Authority has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus and is not responsible for it. The shares to which this Prospectus relates may be illiquid or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the shares. If you do not understand the contents of this Prospectus, you should consult a licensed financial adviser.

The Principal Distributor has appointed local distributors for distribution of the Shares of the Company in Brunei. Such Brunei distributors hold Capital Market Services Licences to distribute Shares of the Company pursuant to Section 156 of the Securities Market Order 2013. Shares in the Company may only be publicly distributed in Brunei by a person or entity licensed to sell investments or offerings in accordance with the Securities Market Order, 2013. The Brunei Filing Agent of the Company is YC Lee & Lee, Advocates & Solicitors, at 6th Floor, Kompleks Jalan Sultan, 51-55 Jalan Sultan, Bandar Seri Begawan BS8811, Brunei Darussalam. The Brunei distributors the Shares of the Company are: (1) Standard Chartered Securities (B) Sdn Bhd; and (2) Baiduri Capital Sdn Bhd.

**Canada**
The Shares have not been, nor will they be, qualified for distribution to the public in Canada as no prospectus for the Fund has been filed with any securities commission or regulatory authority in Canada or any province or

territory thereof. This Prospectus is not, and under no circumstances is to be construed, as an advertisement or any other step in furtherance of a public offering of Shares in Canada. No Canadian resident may purchase or accept a transfer of Shares unless it is eligible to do so under applicable Canadian or provincial laws.

**Denmark**
Approval has been granted to the Company by the Danish Financial Supervisory Authority (Finanstilsynet) in accordance with Section 18 of the Danish Act on Investment Associations Etc. (Consolidation Act no. 333 of 20 March 2013) to market its Shares to retail investors and professional investors in Denmark. The KIDs for the Funds approved for marketing in Denmark are available in Danish.

**Dubai International Financial Centre (DIFC)**
This Prospectus relates to a Fund which is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this Fund. Accordingly, the DFSA has not approved this Prospectus or any other associated documents nor taken any steps to verify the information set out in this Prospectus, and has no responsibility for it. The Units to which this Prospectus relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers should conduct their own due diligence on the Units. If you do not understand the contents of this document you should consult an authorised financial adviser. This prospectus can be distributed to Professional Clients in and from the DIFC by BlackRock Advisors (UK) Limited - Dubai Branch which is regulated by the Dubai Financial Services Authority (“DFSA”). Where the prospectus or any fund within the prospectus is directed at 'Professional Clients‘, no other person should rely upon the information contained within it.

**Finland**
The Company has notified the Financial Supervision Authority in accordance with Section 127 of the Act on Common Funds (29.1.1999/48) as amended and by virtue of confirmation from the Financial Supervision Authority the Company may publicly distribute its Shares in Finland. Certain information and documents that the Company must publish in Luxembourg pursuant to applicable Luxembourg Law are translated into Finnish and are available for Finnish investors at the offices of the appointed distributors in Finland.

**France**
The Company has been authorised by the Autorité des Marchés Financiers (the “AMF”) to market certain of its Funds in France. State Street Bank International GmbH will perform the services of Centralising Correspondent in France. This Prospectus is available in a French language version that includes additional information for French investors. The additional information for French investors should be read in conjunction with this Prospectus. Documentation relating to the Company can be inspected at the offices of State Street Bank International GmbH, the registered office of which is at Coeur Défense – Tour A, 100, Esplanade du Général de Gaulle, 9293 Paris, La Défense Cedex, France, during normal business hours and copies of the documentation can be obtained from them if required.

The attention of investors is drawn to the fact that the Euro-Markets Fund is eligible to be held within the framework of a share savings plan ("plan d’épargne en actions" or "PEA") in France. In this context and subject to the risks described below, the Company has undertaken, pursuant to Article 91 quarter L of Annex II to the General Tax Code, that the above referenced Funds will invest on a permanent basis at least 75% of their 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 this Fund results from, to the best knowledge of the Company, tax law and practices in force in France as at the date of this Appendix. Such tax law and practices may change from time to time and, therefore, the Funds which may currently be held within the framework of a PEA could lose their PEA eligibility.

Further, the Funds could lose their PEA eligibility due to changes impacting their investment universe or benchmark index.

If any Fund loses PEA eligibility, the Company will write to inform Shareholders and a notice will be published on the website of the Company. In such a case, the Shareholders should seek professional tax and financial advice.

**Germany**
The German Federal Financial Supervisory Authority has been notified of the intention to distribute certain Funds of the Company in the Federal Republic of Germany pursuant to § 310 German Capital Investment Act. The German language prospectus contains additional information for investors in the Federal Republic of Germany.

**Gibraltar**
The Company is a UCITS scheme which has been recognised by the Gibraltar Financial Services Commission in accordance with Section 34 & 35 of the Financial Services (Collective Investment Schemes) Act 2011 as a UCITS scheme which complies with the requirements of the Financial Services (Collective Investment Schemes) Regulations 2011 for the recognition of such schemes in Gibraltar. By virtue of such recognition by the Gibraltar Financial Services Commission, the Company may market its Shares in Gibraltar.

**Greece**
Approval has been granted to the Company by the Hellenic Capital Markets Committee in accordance with the procedures provided by Law 4099/2012, to register and distribute its Shares in Greece. This Prospectus is available in a Greek language translation. It must be noted that the relevant regulations provide that “SICAV Funds do not have a guaranteed return and that previous performance does not secure future performance”.

**Hong Kong**
The Company is authorised as a collective investment scheme by the SFC. The SFC’s authorisation is not a recommendation or endorsement of the Company nor does it guarantee the commercial merits of the Company or its performance. It does not mean the Company is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. This Prospectus is available for Hong Kong residents in both English and Chinese. Please note that not all of the Funds are available for distribution to the public in Hong Kong and investors should read this Prospectus in conjunction with the Information for Residents of Hong Kong (“IRHK”) and the Funds’ Product Key Facts Statements, which contain additional information for Hong Kong residents. The Company’s representative in Hong Kong is BAMNA.

**Hungary**
The Hungarian Financial Supervisory Authority authorized the Hungarian distribution of the Company’s Shares pursuant to Section 288 (1) of the Hungarian Act CXX of 2001 on the Capital Market on 16 April 2007.

The distribution of the Shares issued by the Funds of the Company that had been launched subsequent to 1 January 2012 was authorized by the Commission de Surveillance du Secteur Financier (CSSF) of Luxembourg and this license was passported to Hungary in accordance with Section 98 of the Hungarian Act CXCIII of 2011 on Investment Management Firms and the Collective Forms of Investment.

The distribution of the Shares issued by the Funds of the Company that had been launched subsequent to 15 March 2014 was authorized by the CSSF and this license was passported to Hungary in accordance with Section 119 of the Hungarian Act XVI of 2014 on the Collective Forms of Investments and Their Managers.

The KIDs for all of the Company’s Shares are also available to investors in a Hungarian language version.

**Iceland**
The Company has notified the Icelandic Financial Supervisory Authority (*Fjarmalaeftirlitid*) in accordance with the provisions of the Act No. 128/ 2011 on Undertakings for Collective Investment in Transferable Securities (UCITS) Investment Funds and Institutional Investment Funds regarding the offering of foreign UCITS-funds for sale in Iceland. By virtue of a confirmation from the Icelandic Financial Supervisory Authority, the following funds may be offered for sale in Iceland:

Asian Dragon Fund
Continental European Flexible Fund
Emerging Europe Fund
Emerging Markets Fund
Emerging Markets Ex-China Fund
Emerging Markets Local Currency Bond Fund
Euro Bond Fund
Euro Short Duration Bond Fund
Euro-Markets Fund
European Fund
Global Allocation Fund
Global Dynamic Equity Fund
Global Government Bond Fund
Global High Yield Bond Fund
Global Long-Horizon Equity Fund
Japan Small and Midcap Opportunities Fund
Sustainable Energy Fund
US Dollar Reserve Fund
US Growth Fund
World Bond Fund
World Financials Fund
World Gold Fund
World Healthscience Fund

According to Article 13 e in Act No. 87/1992, as amended with Act no. 127/2011, Icelandic investors are prohibited from investing in securities, unit shares of UCITS and/or investment funds, money market instruments or other transferable financial instruments denominated in other currencies than Icelandic krona (ISK). However, parties that have invested in such financial instruments prior to 28 November 2008 are permitted to reinvest. Investors can apply for an exemption from these provisions.

The Company's local distributor in Iceland is responsible for arranging for all necessary information to be available for Icelandic retail investors, in accordance with the Act No. 128/2011 on Undertakings for Collective Investment in Transferable Securities (UCITS), Investment Funds and Institutional Investment Funds, as amended.

**India**
Neither of the Shares nor the Funds are registered with the Securities and Exchange Board of India ("SEBI") or any other regulatory or governmental authority in India and no such authority has confirmed the accuracy or determined the adequacy of this Prospectus.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy the Shares from any person other than the Company or the Management Company and subscription of the Shares shall not be accepted from a person to whom this Prospectus has not been addressed or sent by the Company or the Management Company. The Shares are not being offered for sale or subscription directly or indirectly in India or to the public in India. This Prospectus is not, and should not be construed as, a public offering of the Shares. This Prospectus is not a "prospectus" as construed under the (Indian) Companies Act, 2013.

Prospective investors must seek legal advice as to whether they are entitled to subscribe for or purchase the Shares being offered and comply with all relevant Indian laws in this respect. Any offer or its acceptance is subject to compliance in India with applicable Indian laws.

None of the Company, the Funds, the Management Company, their officers, employees or affiliates are, or are expected to be, registered with any regulatory or governmental authority in India with respect to their respective roles or functions in relation to the Company.

**Indonesia**
The offering contained in this Prospectus does not constitute a public offering in Indonesia under Capital Markets Law No. 8 Year 1995. This Prospectus may not be distributed in Indonesia and the securities may not be offered or sold, directly or indirectly, in Indonesia or to Indonesian citizens wherever they are domiciled, or to Indonesian residents, in a manner which constitutes a public offering under the laws and regulations of Indonesia.

**Ireland**
The Management Company has notified the Central Bank of Ireland of its intention to publicly distribute Shares in certain Funds in Ireland. Blackrock Asset Management (Ireland) Limited will perform the services of facilities agent in Ireland. Documentation relating to the Company can be inspected at 1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, D04 YW83 during normal business hours and copies of the documentation can be obtained if required. Blackrock Asset Management (Ireland) Limited will also forward any redemption or dividend payment requests or any complaints relating to the Company to the Transfer Agent.

**Italy**
The Company has notified the intention to market in Italy certain Funds pursuant to article 42 of Legislative Decree no. 58 of 24 February 1998 and implementing regulations. The offering of the Funds can only be carried out by the appointed distributors indicated in the list referred to in the Italian wrapper (Subscription Form) in accordance with the procedures indicated therein. A Shareholder who makes a subscription or a redemption of Shares through the local Paying Agent or other entities responsible for processing Share transactions in Italy may be charged with the expenses linked to the activity carried out by such entities. In Italy, additional expenses incurred by the Italian Paying Agent(s) or other entities responsible for processing Share transactions for and on behalf of Italian Shareholders (for example for the cost of foreign exchange dealing and for intermediation in payments) may be charged to those Shareholders directly. Further details of any such additional charges will be provided in the Subscription Form for Italy. Investors in Italy may confer on the Italian Paying Agent a specific mandate empowering the latter to act in its own name and on behalf of the same investors. Under this mandate, the Italian Paying Agent in its own name and on behalf of the investors in Italy shall (i) transmit in aggregated form to the Company subscription /redemption/conversion orders; (ii) hold the Shares in the register of Shareholders of the Company and (iii) carry out any other administrative activity under the investment contract. Further details of such mandate will be provided in the subscription form for Italy.

In Italy investors may be able to subscribe for Shares through Regular Savings Plans. Under Regular Savings Plans may be also possible to periodically/regularly redeem and/or convert the Shares. Details of the Regular Savings Plans facilities offered will be provided in the subscription form for Italy.

**Jersey**
The consent of the Jersey Financial Services Commission (the "Commission") has been obtained pursuant to the Control of Borrowing (Jersey) Order 1958, as amended, to raise money in the Island by the issue of Shares of the Company and for the distribution of this Prospectus. The Commission is protected by the Control of Borrowing (Jersey) Law 1947, as amended, against liability arising from the discharge of its functions under that law.

**Korea**
For distribution and offering of the Shares in the Company to the public in South Korea. The Company has been registered with the Financial Services Commission (the "FSC") and the securities registration statement (as defined under the Financial Investment Services and Capital Market Act of Korea (the "FSCMA")) has been filed with the FSC in accordance with the FSCMA.

None of the Shares in the Company may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to applicable laws and regulations of South Korea. Furthermore, the Shares in the Company may not be re-sold to South Korean residents unless the purchaser of the Shares in the Company complies with all applicable regulatory requirements (including, but not limited to, governmental approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with purchase of the Shares in the Company.

Recipients of this Prospectus are advised to exercise caution in relation to the offer, and should seek independent professional advice in connection with any purchase and the risks associated with such investment.

**Kingdom of Saudi Arabia (KSA)**
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 purchasers of the securities offered hereby should conduct their own due diligence on the accuracy of the information relating to the securities. If you do not understand the contents of this document you should consult an authorised financial adviser.

**Kuwait**
This prospectus is not for general circulation to the public in Kuwait. The Company has not been licensed for offering in Kuwait by the Kuwait Capital Markets Authority or any other relevant Kuwaiti government agency. The offering of the Company in Kuwait on the basis of a private placement or public offering is, therefore, restricted in accordance with Law No. 7 of 2010 and the bylaws thereto (as amended). No private or public offering of the Company is being made in Kuwait, and no agreement relating to the sale of the Company will be concluded in Kuwait. No marketing or solicitation or inducement activities are being used to offer or market the Company in Kuwait.

**Macau**
Authorisation is given by the Autoridade Monetaria De Macau ("AMCM") for the advertising and marketing the Company and certain registered Funds in Macau in accordance with Article 61 and 62 of Decree Law No. 83/99/M of 22 November 1999. Such advertising and marketing is undertaken by distributors duly licensed and registered with AMCM. This Prospectus is available to Macau residents in both English and Chinese.

**Malaysia**
No action has been, or will be, taken to comply with Malaysian laws for making available, offering for subscription or purchase, or issuing any invitation to subscribe for or purchase or sale of, the Shares in Malaysia or to persons in Malaysia as the Shares are not intended by the Company to be made available, or made the subject of any offer or invitation to subscribe or purchase, in Malaysia.

Neither this Prospectus nor any document or other material in connection with the Shares should be distributed, caused to be distributed or circulated in Malaysia. No person should make available or make any invitation or offer or invite to sell or purchase the Shares in Malaysia unless such person takes the necessary action to comply with Malaysian laws.

**Netherlands**
The Company may offer its Shares to the public in the Netherlands in accordance with Directive 2009/65/EC on undertakings for collective investment in transferable securities (UCITS), as implemented in the Netherlands Financial Markets Supervision Act (Wet op het financieel toezicht). Dutch translations of the KIDs and all information and documents that the Company must publish in Luxembourg pursuant to applicable Luxembourg laws are available from BlackRock Investment Management (UK) Limited, Amsterdam Branch.

**New Zealand**
The information contained in this Prospectus, or in any other associated disclosure document, is under no circumstances to be construed as a regulated offer of financial products under the Financial Markets Conduct Act 2013 (the "FMCA"). Any offer of financial products will be made only in circumstances where there is no contravention of the FMCA.

Shares are only available for investment by a "wholesale investor" within the meaning of clause 3(2)(a), (c) or (d) of Schedule 1 of the FMCA, being a person who:

- is an "investment business"; or
- is "large"; or
- is a "government agency",

in each case, as defined in Schedule 1 of the FMCA.

The information contained in this Prospectus does not constitute the giving of financial advice for the purposes of New Zealand financial adviser legislation.

**Norway**
The Company has notified the Financial Supervisory Authority of Norway (Finanstilsynet) in accordance with applicable Norwegian Securities Funds legislation. By virtue of a confirmation letter from the Financial Supervisory Authority of Norway dated 5 March 2001 the Company may market and sell its Shares in Norway.

**Oman**
The information contained in this prospectus does not constitute a public offer of securities in the Sultanate of Oman as contemplated by the Commercial Companies Law of Oman (Royal Decree 4/74) or the Capital Market Law of Oman (Royal Decree 80/98). Due to legal restrictions, imposed by the Executive Regulations of the Capital Market Law issued by the Capital Market Authority of the Sultanate of Oman (the "CMA"), this prospectus is only available to individuals and corporate entities that fall within the description of "sophisticated investors" in Article 139 of the Executive Regulations to the Capital Market Law. The CMA is not liable for the correctness or adequacy of information provided in this prospectus or for identifying whether or not the security being offered pursuant to this prospectus is an appropriate investment for a potential investor. The CMA shall also not be liable for any damage or loss resulting from reliance placed on the prospectus.

**People's Republic of China (PRC)**
The Company's interests are not being offered or sold and may not be offered or sold, directly or indirectly within the PRC (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by applicable laws and regulations of the PRC.

**Peru**
The Shares of the Company will not be registered before the Superintendencia del Mercado de Valores (SMV) in Peru, nor under Decreto Legislativo 862: Texto Unico Ordenado de la Ley del Mercado de Valores, as amended. Moreover, the SMV has not reviewed the information provided to the Institutional Investor. The Shares may only be offered and sold to Institutional Investors pursuant to a private placement. The Company has obtained registration in Peru of certain Funds with the Superintendencia de Banca, Seguros y AFP pursuant to Decreto Supremo 054-97-EF Texto Unico Ordenado de la Ley del Sistema Privado del Fondo de Pensiones, as amended, and the rules and regulations enacted thereunder which will allow Peruvian Private Pension Fund Managers (AFP) to acquire shares of such registered Funds.

**Philippines**
For Funds not registered with the Securities and Exchange Commission of the Philippines

Under Republic Act No. 8799, known as the Securities Regulation Code of the Philippines (the "Code"), and its implementing rules, securities, such as the Funds, are not permitted to be sold or offered for sale or distribution within the Philippines unless such securities are approved for registration by the Securities and Exchange Commission of the Philippines ("SEC") or are otherwise exempt securities or sold pursuant to an exempt transaction.

The offer and sale of the Funds qualify as an exempt transaction pursuant to section 10.1(l) of the Code and by purchase of the Fund(s), the investor will be deemed to acknowledge that the issue of, offer for subscription or purchase of, or invitation to subscribe for or purchase of such Fund (s) was made outside the Philippines. A confirmation of exemption from the SEC that the offer and sale of the Funds in the Philippines qualify as an exempt transaction under the Code is not required to be, and will not be, obtained.

**THE SECURITIES BEING OFFERED OR SOLD HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES REGULATION CODE OF THE PHILIPPINES. ANY FUTURE OFFER OR SALE THEREOF IS SUBJECT TO REGISTRATION REQUIREMENTS UNDER THE CODE UNLESS SUCH OFFER OR SALE QUALIFIES AS AN EXEMPT TRANSACTION.**

**Poland**
The Company has notified the Polish Financial Supervision Authority (Komisja Nadzoru Finansowego) of its intention to distribute its Shares in Poland under article 253 of an Act on investment funds and on management of alternative investment funds dated May 27th 2004 (Dz. U.2016.1896, as amended). The Company has established its representative and payment agent in Poland. This Prospectus and the KID are available in Polish as well as other documents and information required by the provisions of laws of the state where it maintains its head office. The Company distributes its Shares in Poland by authorised distributors only.

**Portugal**
In Portugal, notification has been made to the Comissão do Mercado dos Valores Mobiliários for marketing of certain Funds by several distributors with whom the Principal Distributor has entered into distribution agreements, pursuant to Directive 2009/65/EC on undertakings for collective investment in transferable securities (UCITS), as implemented in Portugal by Decree-Law 63-A/2013, of 10 May (according to the list of Funds contained in the respective notification procedure).

**Qatar**
The shares are only being offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such shares. The prospectus does not constitute an offer to the public and is for the use only of the named addressee and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof). The fund has not been and will not be registered with the Qatar Central Bank or under any laws of the State of Qatar. No transaction will be concluded in your jurisdiction and any inquiries regarding the shares should be made to the Company.

**Republic of South Africa**
This prospectus is not intended and does not constitute an offer, invitation, or solicitation by any person to members of the public to invest or acquire shares in the Company. This prospectus is not an offer in terms of Chapter 4 of the Companies Act, 2008. Accordingly this prospectus does not, nor is it intended to, constitute a prospectus prepared and registered under the Companies Act. The Fund is a foreign collective investment scheme as contemplated by section 65 of the Collective Investment Schemes Control Act, 2002 and is not approved in terms of that Act.

**Singapore**
Certain sub-funds of the Company (the "Restricted Sub-Funds") have been entered onto the list of restricted schemes maintained by the Monetary Authority of Singapore (the "MAS") for purpose of restricted offer in Singapore pursuant to section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") and the list of Restricted Sub-Funds may be accessed at: https://masnetsvc2.mas.gov.sg/cisnetportal/jsp/list.jsp.

In addition, certain sub-funds of the Company (including some of the Restricted Sub-Funds), have also been recognised in Singapore for retail distribution (the "Recognised Sub-Funds"). Please refer to the Singapore prospectus (which has been registered by the MAS) relating to the retail offer of the Recognised Sub-Funds for the list of sub-funds which are Recognised Sub-Funds. The registered Singapore prospectus may be obtained from the relevant appointed distributors.

A restricted offer or invitation of the shares (the "Shares") of each Restricted Sub-Fund is the subject of this Prospectus. Save for the Restricted Sub-Funds which are also Recognised Sub-Funds, the Restricted Sub-Funds are not authorised or recognised by the MAS and the Shares are not allowed to be offered to the retail public in Singapore. A concurrent restricted offer of Shares of each Recognised Sub-Fund is made under and in reliance of Sections 304 and/or 305 (including sub-section 305(3)(c)) of the SFA. The Shares of the Restricted Sub-Funds are capital markets products other than prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

The offer or invitation of the Shares of the Restricted Sub-Funds is regulated by the CSSF under the Luxembourg law of 17 December 2010 on undertakings for collective investment, as amended, modified or supplemented from time to time. The contact details of the CSSF are as follows: Telephone: +352 26-251-1 (switchboard) Fax: +352 26-251-601. The Bank of New York Mellon SA/NV, Luxembourg Branch, being the custodian of the Restricted Sub-Funds, is regulated by the CSSF. The policy of each Restricted Sub-Fund and the Management Company is not to enter into any side letter arrangements that may result in differentiated or preferential treatment for certain classes of investors except as otherwise disclosed in this Prospectus. Investors in Singapore should note that if they wish to obtain information on the past performance of the Restricted Sub-Funds, they should contact BlackRock (Singapore) Limited at +65 6411-3000 to obtain such information. Other information required by the Monetary Authority of Singapore is contained elsewhere in the Prospectus of BlackRock Global Funds.

This Prospectus and any other document or material issued in connection with this restricted offer or sale of the Restricted Sub-Funds is not a prospectus as defined in the SFA and has not been registered as a prospectus with the MAS. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you.

This Prospectus and any other document or material in connection with the restricted offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, pursuant to this Prospectus whether directly or indirectly, to persons in Singapore other than (i) to an Institutional Investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Shares are subscribed or purchased under Section 305 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold

investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

1. to an Institutional Investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA;

2. where no consideration is or will be given for the transfer;

3. where the transfer is by operation of law;

4. as specified in Section 305A(5) of the SFA; or

5. as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

Investors should note further that the other sub-funds of the Company referred to in this Prospectus other than the Restricted Sub-Funds and/or the Recognised Sub-Funds, are not available to Singapore investors and references to such other Funds is not and should not be construed as an offer of shares of such other sub-funds in Singapore.

**Spain**
The Company is duly registered with the Comisión Nacional de Mercado de Valores in Spain under number 140.

**Sweden**
The Company has notified the Swedish Financial Supervisory Authority in accordance with Chapter 1, Section 7 of the Swedish Securities Funds Act 2004 (Sw. *lag (2004:46) om värdepappersfonder)* and by virtue of a confirmation from the Swedish Financial Supervisory Authority the Company may publicly distribute its Shares in Sweden.

**Switzerland**
The Swiss Financial Market Authority FINMA has authorised BlackRock Asset Management Switzerland Limited, as the Company's Swiss representative, to distribute the Shares of each of the Company's Funds in or from Switzerland in accordance with Article 123 of the Collective Investment Schemes Act of 23 June 2006. A German language version of this Prospectus is available which also includes the additional information for Swiss investors.

**Taiwan**
Certain Funds have been approved by the Financial Supervisory Commission (the "FSC"), or effectively registered with the FSC, for public offering and sale through the master agent and/or sales agents in Taiwan in accordance with the Securities Investment Trust and Consulting Act, Regulations Governing the Offshore Funds, and other applicable laws and regulations. Funds approved/registered in Taiwan will, subject to certain investment restrictions such as, among other things, the following: (1) no gold, real estate and commodities in the portfolio are allowed; (2) unless the derivatives waiver by FSC is otherwise granted, the total value of the open positions on derivatives for increasing investment efficiency held by each Fund shall not exceed 40% of its net asset value; and (3) total value of open short positions on derivatives for hedging purpose held by each Fund shall not exceed the total market value of the corresponding securities held by the Fund. Investors should read this Prospectus in conjunction with the investor brochure, which contains additional information for Taiwan residents. On December 31 2015, FSC granted the derivatives waivers to thirteen (13) BGF funds registered in Taiwan, which are: (1) Asian Tiger Bond Fund; (2) ESG Multi-Asset Fund; (3) Global High Yield Bond Fund; (4) Emerging Markets Bond Fund; (5) Global Allocation Fund; (6) Global Corporate Bond Fund; (7) Euro Bond Fund; (8) Global Government Bond Fund; (9) Global Inflation Linked Bond Fund; (10) Emerging Markets Local Currency Bond Fund; (11) US Dollar High Yield Bond Fund; (12) US Dollar Core Bond Fund; and (13) World Bond Fund. In the derivatives waivers, FSC expressly indicated that each of the above thirteen (13) BGF funds' VaR shall not exceed two times of the reference portfolio's VaR of each fund. Investors should refer to Appendix A under the Investor Brochure which is prepared in accordance with the Taiwan laws and regulations for more details on the derivatives waivers of the above thirteen (13) funds. The FSC issued a letter ruling on January 29 2014 which permitted sales and consultation of unregistered offshore funds through the Taiwan offshore banking unit of a bank (including a foreign bank having branch in Taiwan) ("OBU") and the Taiwan offshore securities unit of a securities firm (including a foreign securities firm having branch in Taiwan) ("OSU"); provided that: (1) the clients of the Taiwan OBU/OSU are limited to offshore clients, including individuals holding foreign passport without domicile in Taiwan and legal entities registered offshore without any registration or branch in Taiwan; and (2) any offshore fund distributed through an Taiwan OBU or OSU cannot invest more than 30% of its net asset value in the Taiwan securities markets ("Taiwan OBU/ OSU Fund Offering"). BlackRock Investment Management (Taiwan) Limited has obtained the FSC's approval to provide agent services, the scope of which is subject to the regulator's approval and rulings which may be amended from time to time, to Taiwan OBU/OSU on behalf of BlackRock (Luxembourg) S.A. for the Taiwan OBU/OSU Fund Offering."

**Thailand**
The Company's Shares have not been granted permission by the Securities and Exchange Commission (SEC) of Thailand to be publicly offered in Thailand. No interests in the Shares may be advertised or offered for sale to the general public in Thailand or marketed to the public in Thailand through any means of communication to any resident of Thailand to whom it is not addressed.

All the Shares' materials were prepared by the Company for informational purposes, and the contents of this Prospectus have not been reviewed by the SEC. The contents contained in these materials should not be construed as a public offer of the Shares in Thailand, and shall not be used as part of any prospectus, offering memorandum or other disclosure attributable to the Company.

This Prospectus is distributed on a confidential basis to the person to whom it is addressed. This Prospectus may not be reproduced in any form or transmitted to any person other than the person to whom it is addressed. Transmission of this Prospectus to the person to whom it is addressed shall not constitute solicitation in Thailand by the Company or any of its representatives or agents to invest in the Shares.

**United Arab Emirates (UAE)**
(excluding the Dubai International Financial Centre and the Abu Dhabi Global Market)

<u>For Funds registered with the Securities and Commodities Authority in the United Arab Emirates (for use where the Fund is registered for public offer)</u>

A copy of this Prospectus has been submitted to the United Arab Emirates (the "UAE") Securities and Commodities Authority (the "SCA"). The SCA assumes no liability for the accuracy of the information set out in this Prospectus, nor for the failure of any persons engaged in the investment fund in performing their duties and responsibilities. The relevant parties whose names are listed in this Prospectus shall assume such liability, each according to their respective roles and duties.

<u>For Funds not registered with the Securities and Commodities Authority in the United Arab Emirates (for use in respect of unsolicited requests only)</u>

This Prospectus, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities in the UAE and accordingly should not be construed as such. The Shares are only being offered to a limited number of investors in the UAE who (a) are willing and able to conduct an independent investigation of the risks involved in an investment in such Shares, and (b) upon their specific request. The Shares have not been approved by or licensed or registered with the UAE Central Bank, the SCA or any other relevant licensing authorities or governmental agencies in the UAE. The Prospectus is for the use of the named addressee only, who has specifically requested it on a cross-border basis, without a promotion effected by BlackRock, its promoters or the distributors of its Shares, and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof). No transaction will be concluded in the UAE and any enquiries regarding the Shares should be made to the local Investor Servicing Team, telephone: +44 (0) 207 743 3300.

For Funds not registered with the Securities and Commodities Authority in the United Arab Emirates (for use in respect of Qualified Investor Exemption only)

This Prospectus, and the information contained herein, does not constitute, and is not intended to constitute, a public offer of securities in the UAE and accordingly should not be construed as such. The marketing of any funds in the UAE requires the prior approval of the Securities and Commodities Authority ("SCA") unless the exemptions to the regulations relating to promotion or offering of units in foreign funds or foreign shares (SCA Board of Directors Decision no 3/RM of 2017 concerning the organization of promotion and introduction, as further revised and updated) apply. Consequently, based on the mentioned exemption, the offering of Shares in the UAE will only be available to a limited number of exempt persons in the UAE who fall under one of the following categories of Exempt Qualified Investors: Corporate persons that are: (a) the federal government, local governments, and governmental entities, institutions and authorities, or companies wholly-owned by any of the aforementioned; (b) foreign governments, their respective entities, institutions and authorities or companies wholly owned by any such entities; (c) international entities and organisations; (d) entities licensed by the SCA or a similar regulator (i.e. a regulatory authority that is an ordinary or associate member of IOSCO) (a "Counterpart Authority"); or (e) a corporate person that meets, as at the date of its most recent financial statements, at least two of the following conditions: (i) it has a total assets of AED 75 million; (ii) it has a net annual income of AED 150 million; (iii) it has net equity or paid-up capital at the minimum of AED 7 million, or alternatively, a natural person licensed by the SCA or a Counterpart Authority to carry out any of the functions related to financial activities or services (each an "Exempt Qualified Investor").

The Shares have not been approved by or licensed or registered with the UAE Central Bank, the SCA, the Dubai Financial Services Authority, the Financial Services Regulatory Authority or any other relevant licensing authorities or governmental agencies in the UAE (the "Authorities"). The Authorities assume no liability for any investment that the named addressee makes as an Exempt Qualified Investor. The Prospectus is for the use of the named addressee only and should not be given or shown to any other person (other than employees, agents or consultants in connection with the addressee's consideration thereof).

**United Kingdom**

The contents of this Prospectus have been approved solely for the purposes of section 21 of the UK Financial Services and Markets Act 2000 (the "Act") by the Company's UK Distributor, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL (which is regulated by the FCA in the conduct of investment business in the UK). The Company has obtained the status of "recognised scheme" for the purposes of the Act. Some or all of the protections provided by the UK regulatory system will not apply to investments in the Company. Compensation under the UK Investors Compensation Scheme will generally not be available. The Company provides the facilities required by the regulations governing such schemes at the offices of BlackRock Investment Management (UK) Limited, which acts as the UK facilities agent. UK investors can contact the UK facilities agent at the above address to obtain details regarding the prices of units, to redeem or arrange for the redemption of Shares, to obtain payment and to make a complaint. Details on the procedure to be followed in connection with the subscription, redemption and switching of Shares are set out in this Prospectus. Copies of the following documents will be available (in English) for inspection and can be obtained at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) free of charge at the above address of the UK Facilities Agent:

1. the Articles of Association;
2. the Prospectus, KID(s) and any supplement or addendum to the Prospectus; and
3. the most recently published annual and half yearly reports relating to the Company.

## Appendix E – Summary of Charges and Expenses

All Share Classes are also subject to an Annual Service Charge, which may be charged at a rate of up to 0.25% per annum.

*A single fee is charged on Class SR Shares (which comprises the management fee and the Annual Service Charge). Please refer to the applicable KID for the ongoing charges figure. Please note that this figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the custodian and any entry/exit charge paid to an underlying CIS (if any).

| AI Innovation Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class S | 0.00% | Up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | Up to 0.68% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | Up to 0.68% | 0.00% | 0.00% |
| Class ZI | 0.00% | Up to 0.68% | 0.00% | 0.00% |

| Asian Dragon Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Asian High Yield Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00%[3] | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |

| Asian Multi-Asset Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |

[3] The Management Fee is discounted by 0.30% between the date of this prospectus and 31 December 2021. The discount is subject to variation or removal at any time at the discretion of the Management Company, provided that prior written notice is given to shareholders. For the current charges applied to Class A Shares on the Fund from time to time please refer to the relevant KID and/or the product pages of the BlackRock website.

| Asia Pacific Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.50% | 0.00% | 0.00% |

| Asian Tiger Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Brown To Green Materials Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |

| China Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| China Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| China Multi-Asset Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.75% | 0.00% | 0.00% |

| China Onshore Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.50% | 0.00% | 0.00% |

| Circular Economy Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |

| Climate Transition Multi-Asset Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.20% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.20% | 0.00% | 0.00% |
| Class B | 0.00% | 1.20% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.20% | 1.25% | 0.00% |
| Class D | 5.00% | 0.65% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.65% | 0.00% | 0.00% |
| Class E | 3.00% | 1.20% | 0.50% | 0.00% |
| Class I | 0.00% | 0.65% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.65%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.65% | 0.00% | 0.00% |

| Continental European Flexible Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Diversified Tactical Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.20% | 0.00% | 0.00% |
| Class D | 0.00% | 0.60% | 0.00% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Dynamic High Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |

| Dynamic Infrastructure Opportunities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.20% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.20% | 0.00% | 0.00% |
| Class B | 0.00% | 1.20% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.20% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.20% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.60%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.60% | 0.00% | 0.00% |

| Emerging Europe Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.75% | 0.00% | 0.00% |
| Class B | 0.00% | 1.75% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.75% | 1.25% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class DD | 5.00% | 1.00% | 0.00% | 0.00% |
| Class E | 3.00% | 1.75% | 0.50% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.25% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.25% | 0.00% | 0.00% |
| Class B | 0.00% | 1.25% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.25% | 1.25% | 0.00% |
| Class D | 5.00% | 0.65% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.65% | 0.00% | 0.00% |
| Class E | 3.00% | 1.25% | 0.50% | 0.00% |
| Class I | 0.00% | 0.65% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.65%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Corporate Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.40% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.40% | 0.00% | 0.00% |
| Class B | 0.00% | 1.40% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.40% | 1.25% | 0.00% |
| Class D | 5.00% | 0.70% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.70% | 0.00% | 0.00% |
| Class E | 3.00% | 1.40% | 0.50% | 0.00% |
| Class I | 0.00% | 0.70% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.70%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Corporate Bond Advanced Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.40% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.40% | 0.00% | 0.00% |
| Class B | 0.00% | 1.40% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.40% | 1.25% | 0.00% |
| Class D | 5.00% | 0.70% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.70% | 0.00% | 0.00% |
| Class E | 3.00% | 1.40% | 0.50% | 0.00% |
| Class I | 0.00% | 0.70% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.70%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.70% | 0.00% | 0.00% |

| Emerging Markets Equity Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Ex-China Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.75% | 0.00% | 0.00% |

| Emerging Markets Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Impact Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.80% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.80% | 0.00% | 0.00% |
| Class B | 0.00% | 0.80% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.80% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.80% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.40% | 0.00% | 0.00% |

| Emerging Markets Local Currency Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Emerging Markets Sustainable Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.69% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.69% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.69% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.69% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.69% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.69%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.69% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.69% | 0.00% | 0.00% |

| ESG Emerging Markets Blended Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.00% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.75% | 0.00% | 0.00% |

| ESG Emerging Markets Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.25% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.25% | 0.00% | 0.00% |
| Class B | 0.00% | 1.25% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.25% | 1.25% | 0.00% |
| Class D | 5.00% | 0.65% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.65% | 0.00% | 0.00% |
| Class E | 3.00% | 1.25% | 0.50% | 0.00% |
| Class I | 0.00% | 0.65% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.65%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.65% | 0.00% | 0.00% |

| ESG Emerging Markets Local Currency Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.50% | 0.00% | 0.00% |

| ESG Multi-Asset Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.20% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.20% | 0.00% | 0.00% |
| Class B | 0.00% | 1.20% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.20% | 1.25% | 0.00% |
| Class D | 5.00% | 0.65% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.65% | 0.00% | 0.00% |
| Class E | 3.00% | 1.20% | 0.50% | 0.00% |
| Class I | 0.00% | 0.65% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.65% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.65%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Corporate Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.80% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.80% | 0.00% | 0.00% |
| Class B | 0.00% | 0.80% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.80% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.80% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro High Yield Fixed Maturity Bond Fund 2027 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.60% | 0.00% | 0.00% |
| Class D | 5.00% | 0.30% | 0.00% | 0.00% |
| Class E | 3.00% | 0.60% | 0.40% | 0.00% |
| Class I | 0.00% | 0.30% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro High Yield Fixed Maturity Bond Fund 2028 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.60% | 0.00% | 0.00% |
| Class D | 5.00% | 0.30% | 0.00% | 0.00% |
| Class E | 3.00% | 0.60% | 0.50% | 0.00% |
| Class K | 0.00% | 0.60% | 0.50% | 1.80% |
| Class I | 0.00% | 0.30% | 0.00% | 0.00% |

| Euro High Income Fixed Maturity Bond Fund 2030 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.60% | 0.00% | 0.00% |
| Class C | 0.00% | 0.60% | 0.70% | 0.00% |
| Class CI | 0.00% | 0.60% | 0.70% | 0.00% |
| Class D | 5.00% | 0.30% | 0.00% | 0.00% |
| Class E | 3.00% | 0.60% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.60% | 0.70% | 0.00% |
| Class K | 0.00% | 0.60% | 0.70% | 1.80% |
| Class I | 0.00% | 0.30% | 0.00% | 0.00% |

| Euro High Income Fixed Maturity Bond Fund 2031 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.60% | 0.00% | 0.00% |
| Class C | 0.00% | 0.60% | 0.70% | 0.00% |
| Class CI | 0.00% | 0.60% | 0.70% | 0.00% |
| Class D | 5.00% | 0.30% | 0.00% | 0.00% |
| Class E | 3.00% | 0.60% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.60% | 0.70% | 0.00% |
| Class K | 0.00% | 0.60% | 0.70% | 2.40% |
| Class I | 0.00% | 0.30% | 0.00% | 0.00% |

| Euro Income Fixed Maturity Bond Fund 2029 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.50% | 0.70% | 0.00% |
| Class K | 0.00% | 0.50% | 0.70% | 2.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Income Fixed Maturity Bond Fund 2030 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.50% | 0.70% | 0.00% |
| Class K | 0.00% | 0.50% | 0.70% | 2.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Income Fixed Maturity Bond Fund 2031 II | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class C | 0.00% | 0.50% | 0.70% | 0.00% |
| Class CI | 0.00% | 0.50% | 0.70% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.50% | 0.70% | 0.00% |
| Class K | 0.00% | 0.50% | 0.70% | 2.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Income Fixed Maturity Bond Fund 2031 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class C | 0.00% | 0.50% | 0.70% | 0.00% |
| Class CI | 0.00% | 0.50% | 0.70% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.70% | 0.00% |
| Class EI | 3.00% | 0.50% | 0.70% | 0.00% |
| Class K | 0.00% | 0.50% | 0.70% | 2.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Investment Grade Fixed Maturity Bond Fund 2027 (1) | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.40% | 0.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Investment Grade Fixed Maturity Bond Fund 2028 | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.25% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.50% | 0.00% |
| Class EI | 3.00% | 0.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Reserve Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 0.00% | 0.45% | 0.00% | 0.00% |
| Class AI | 0.00% | 0.45% | 0.00% | 0.00% |
| Class B | 0.00% | 0.45% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.45% | 0.00% | 0.00% |
| Class D | 0.00% | 0.25% | 0.00% | 0.00% |
| Class DD | 0.00% | 0.25% | 0.00% | 0.00% |
| Class E | 0.00% | 0.45% | 0.25% | 0.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.25% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.25% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.25%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Short Duration Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro-Markets Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| European Equity Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| European Equity Transition Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Euro Flexible Income Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.50% | 0.00% | 0.00% |

| European Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| European High Yield Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.55% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.55% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.55% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.55%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.55% | 0.00% | 0.00% |

| European Multi-Asset Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |

| European Blend Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| European Sustainable Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.68% | 0.00% | 0.00% |

| European Value Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| FinTech Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |

| Fixed Income Global Opportunities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Future Of Transport Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |

| Global Allocation Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Bond Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.00% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.00% | 0.00% | 0.00% |
| Class B | 0.00% | 1.00% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.00% | 1.25% | 0.00% |
| Class D | 5.00% | 0.50% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.50% | 0.00% | 0.00% |
| Class E | 3.00% | 1.00% | 0.50% | 0.00% |
| Class I | 0.00% | 0.50% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.50%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.50% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.50% | 0.00% | 0.00% |

| Global Corporate Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.80% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.80% | 0.00% | 0.00% |
| Class B | 0.00% | 0.80% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.80% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.80% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Dynamic Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.75% | 0.00% | 0.00% |

| Global Equity Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Government Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global High Yield Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.25% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.25% | 0.00% | 0.00% |
| Class B | 0.00% | 1.25% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.25% | 1.25% | 0.00% |
| Class D | 5.00% | 0.55% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.55% | 0.00% | 0.00% |
| Class E | 3.00% | 1.25% | 0.50% | 0.00% |
| Class I | 0.00% | 0.55% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.55%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Inflation Linked Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Listed Infrastructure Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class EI | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class S | 0.00% | Up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | Up to 0.68% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | 0.30% | 0.00% | 0.00% |
| Class ZI | 0.00% | Up to 0.68% | 0.00% | 0.00% |

| Global Long-Horizon Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Multi-Asset Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.60%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Global Securitised Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.60% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.60% | 0.00% | 0.00% |
| Class B | 0.00% | 0.60% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.60% | 1.25% | 0.00% |
| Class CI | 0.00% | 0.60% | 1.25% | 0.00% |
| Class D | 5.00% | 0.35% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.35% | 0.00% | 0.00% |
| Class E | 3.00% | 0.60% | 0.50% | 0.00% |
| Class EI | 3.00% | 0.60% | 0.50% | 0.00% |
| Class I | 0.00% | 0.35% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.35%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.35% | 0.00% | 0.00% |

| Global Smaller Companies Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | 0.40% | 0.00% | 0.00% |

| Global Unconstrained Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.50% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 5.00% | 1.50% | 0.50% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.50% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Impact Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.35% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.35% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.35% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.35%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.35% | 0.00% | 0.00% |

| India Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Japan Flexible Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Japan Small & MidCap Opportunities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Latin American Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.75% | 0.00% | 0.00% |
| Class B | 0.00% | 1.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.75% | 1.25% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class DD | 5.00% | 1.00% | 0.00% | 0.00% |
| Class E | 3.00% | 1.75% | 0.50% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| MENA Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.80% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.80% | 0.00% | 0.00% |
| Class B | 0.00% | 0.80% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.80% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.80% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | Up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | Up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | Up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | Up to 0.40% | 0.00% | 0.00% |

| MyMap Growth Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.32% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.32% | 0.00% | 0.00% |
| Class B | 0.00% | 0.32% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.32% | 1.25% | 0.00% |
| Class D | 5.00% | 0.13% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.13% | 0.00% | 0.00% |
| Class E | 3.00% | 0.32% | 0.50% | 0.00% |
| Class I | 0.00% | 0.13% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.40% | 0.00% | 0.00% |

| Multi-Theme Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.25% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.25% | 0.00% | 0.00% |
| Class B | 0.00% | 1.25% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.25% | 1.25% | 0.00% |
| Class D | 5.00% | 0.55% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.55% | 0.00% | 0.00% |
| Class E | 3.00% | 1.25% | 0.50% | 0.00% |
| Class I | 0.00% | 0.55% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.55%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.55% | 0.00% | 0.00% |

| MyMap Moderate Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.32% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.32% | 0.00% | 0.00% |
| Class B | 0.00% | 0.32% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.32% | 1.25% | 0.00% |
| Class D | 5.00% | 0.13% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.13% | 0.00% | 0.00% |
| Class E | 3.00% | 0.32% | 0.50% | 0.00% |
| Class I | 0.00% | 0.13% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.40% | 0.00% | 0.00% |

| MyMap Cautious Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.32% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.32% | 0.00% | 0.00% |
| Class B | 0.00% | 0.32% | 1.00% | Up to 3.00% |
| Class C | 0.00% | 0.32% | 1.25% | 0.00% |
| Class D | 5.00% | 0.13% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.13% | 0.00% | 0.00% |
| Class E | 3.00% | 0.32% | 0.50% | 0.00% |
| Class I | 0.00% | 0.13% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.40% | 0.00% | 0.00% |

| Natural Resources Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Next Generation Technology Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |

| Step Into Equity High Income Fund 2030 | Initial charge | Management Fee [4] | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | up to 1.50% | 0.00% | 0.00% |
| Class E | 3.00% | up to 1.50% | 0.50% | 0.00% |
| Class EI | 3.00% | up to 1.50% | 0.50% | 0.00% |
| Class K | 0.00% | up to 1.50% | 0.50% | up to 2.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Sukuk Fund [5] | Initial charge | Management Fee [6] | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.45% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.45% | 0.00% | 0.00% |
| Class B | 0.00% | 0.45% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.45% | 1.25% | 0.00% |
| Class D | 5.00% | 0.35% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.35% | 0.00% | 0.00% |
| Class E | 3.00% | 0.45% | 0.50% | 0.00% |
| Class I | 0.00% | 0.35% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.35% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.35%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | Up to 0.35% | 0.00% | 0.00% |

[4] For classes A, E, EI, and K, the management fee will amount to 0.70% until the first anniversary of Fund's Launch Date, then will be increased by 0.30% until second anniversary of Fund's Launch Date (i.e. will amount to 1.00%), then will be increased by 0.20% until the third anniversary of the Fund's Launch Date (i.e. will amount to 1.20%) and finally will be increased by 0.30% until maturity date (i.e. to amount 1.50%).

[5] Shares of the Sukuk Fund may only be issued as USD-denominated Shares.

[6] For classes A, E, EI, and K, the management fee will amount to 0.70% until the first anniversary of Fund's Launch Date, then will be increased by 0.30% until second anniversary of Fund's Launch Date (i.e. will amount to 1.00%), then will be increased by 0.20% until the third anniversary of the Fund's Launch Date (i.e. will amount to 1.20%) and finally will be increased by 0.30% until maturity date (i.e. to amount 1.50%).

| Sustainable Energy Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.65% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.65% | 0.00% | 0.00% |
| Class B | 0.00% | 1.65% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.65% | 1.25% | 0.00% |
| Class D | 5.00% | 0.90% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.90% | 0.00% | 0.00% |
| Class E | 3.00% | 1.65% | 0.50% | 0.00% |
| Class I | 0.00% | 0.90% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Sustainable Global Allocation Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.35% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.35% | 0.00% | 0.00% |
| Class B | 0.00% | 1.35% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.35% | 1.25% | 0.00% |
| Class D | 5.00% | 0.70% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.70% | 0.00% | 0.00% |
| Class E | 3.00% | 1.35% | 0.50% | 0.00% |
| Class I | 0.00% | 0.70% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.70%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.70% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.70% | 0.00% | 0.00% |

| Swiss Small & Mid Cap Opportunities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Systematic Asia Pacific Equity High Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.60%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.60% | 0.00% | 0.00% |

| Systematic China A-Share Opportunities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |

| Systematic China Environmental Tech Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.68% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.68% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.68% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.68%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.68% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.68% | 0.00% | 0.00% |

| Systematic Islamic GCC Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class S | 0.00% | 0.60% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Systematic Islamic Saudi Arabia Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class S | 0.00% | 0.60% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Systematic Multi Allocation Credit Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.50% | 0.00% | 0.00% |
| Class B | 0.00% | 0.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.20% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.20% | 0.00% | 0.00% |
| Class E | 3.00% | 0.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.20% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.20% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.20% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.20%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.20% | 0.00% | 0.00% |

| Systematic Global Equity High Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class CI | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.60%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Systematic Global Income & Growth Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class ZI | 0.00% | up to 0.75% | 0.00% | 0.00% |

| Systematic Global SmallCap Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| Systematic Nasdaq Equity High Income Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.60% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.60% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.60% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.60% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.60%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.60% | 0.00% | 0.00% |

| United Kingdom Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Basic Value Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Dollar Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.85% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.85% | 0.00% | 0.00% |
| Class B | 0.00% | 0.85% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.85% | 1.25% | 0.00% |
| Class D | 5.00% | 0.45% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.45% | 0.00% | 0.00% |
| Class E | 3.00% | 0.85% | 0.50% | 0.00% |
| Class I | 0.00% | 0.45% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.45% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.45% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.45%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Dollar High Yield Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.25% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.25% | 0.00% | 0.00% |
| Class B | 0.00% | 1.25% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.25% | 1.25% | 0.00% |
| Class D | 5.00% | 0.55% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.55% | 0.00% | 0.00% |
| Class E | 3.00% | 1.25% | 0.50% | 0.00% |
| Class I | 0.00% | 0.55% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.55% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.55%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Dollar Reserve Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 0.00% | 0.45% | 0.00% | 0.00% |
| Class AI | 0.00% | 0.45% | 0.00% | 0.00% |
| Class B | 0.00% | 0.45% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.45% | 0.00% | 0.00% |
| Class D | 0.00% | 0.25% | 0.00% | 0.00% |
| Class DD | 0.00% | 0.25% | 0.00% | 0.00% |
| Class E | 0.00% | 0.45% | 0.25% | 0.00% |
| Class I | 0.00% | 0.25% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.25% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.25% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.25%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Dollar Short Duration Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.75% | 0.00% | 0.00% |
| Class B | 0.00% | 0.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.75% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.75% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Flexible Equity Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| US Growth Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |

| US Mid-Cap Value Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Bond Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 0.80% | 0.00% | 0.00% |
| Class AI | 5.00% | 0.80% | 0.00% | 0.00% |
| Class B | 0.00% | 0.80% | 1.00% | up to 3.00% |
| Class C | 0.00% | 0.80% | 1.25% | 0.00% |
| Class D | 5.00% | 0.40% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.40% | 0.00% | 0.00% |
| Class E | 3.00% | 0.80% | 0.50% | 0.00% |
| Class I | 0.00% | 0.40% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.40% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.40%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Energy Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AJ | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.75% | 1.25% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class DD | 5.00% | 1.00% | 0.00% | 0.00% |
| Class E | 3.00% | 1.75% | 0.50% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Financials Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Gold Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.75% | 0.00% | 0.00% |
| Class B | 0.00% | 1.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.75% | 1.25% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class DD | 5.00% | 1.00% | 0.00% | 0.00% |
| Class E | 3.00% | 1.75% | 0.50% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Healthscience Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Islamic Gold Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | 0.55% | 0.00% | 0.00% |

| World Mining Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.75% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.75% | 0.00% | 0.00% |
| Class B | 0.00% | 1.75% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.75% | 1.25% | 0.00% |
| Class D | 5.00% | 1.00% | 0.00% | 0.00% |
| Class DD | 5.00% | 1.00% | 0.00% | 0.00% |
| Class E | 3.00% | 1.75% | 0.50% | 0.00% |
| Class I | 0.00% | 1.00% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 1.00% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 1.00%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

| World Real Estate Securities Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |
| Class Z | 0.00% | up to 0.75% | 0.00% | 0.00% |

| World Technology Fund | Initial charge | Management Fee | Distribution Fee | CDSC |
|---|---|---|---|---|
| Class A | 5.00% | 1.50% | 0.00% | 0.00% |
| Class AI | 5.00% | 1.50% | 0.00% | 0.00% |
| Class B | 0.00% | 1.50% | 1.00% | up to 3.00% |
| Class C | 0.00% | 1.50% | 1.25% | 0.00% |
| Class D | 5.00% | 0.75% | 0.00% | 0.00% |
| Class DD | 5.00% | 0.75% | 0.00% | 0.00% |
| Class E | 3.00% | 1.50% | 0.50% | 0.00% |
| Class I | 0.00% | 0.75% | 0.00% | 0.00% |
| Class J | 0.00% | 0.00% | 0.00% | 0.00% |
| Class S | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SI | 0.00% | up to 0.75% | 0.00% | 0.00% |
| Class SR | 0.00% | up to 0.75%* | 0.00% | 0.00% |
| Class X | 0.00% | 0.00% | 0.00% | 0.00% |

Note: Subject to the approval of the Directors, the combined Management Fee and Annual Service Charge for any Fund may be increased up to a maximum of 2.25% in total by giving Shareholders three months' prior notice in accordance with paragraph 19. of Appendix C. Any increase above this level would require approval of Shareholders at a general meeting.

## Appendix F – List of Depositary Delegates

The Depositary has entered into written agreements delegating the performance of its Safekeeping Function in respect of certain investments to the delegates listed below. The list is subject to change and a current list is available upon request from the Company's registered office and the local Investor Servicing team.

| Country | Delegate |
|---|---|
| Argentina | Citibank N.A., Argentina |
| Australia | National Australia Bank Limited |
| Austria | UniCredit Bank Austria AG |
| Bahrain | HSBC Bank Middle East Limited |
| Bangladesh | The Hongkong and Shanghai Banking Corporation Limited |
| Belgium | Citibank Europe Plc, UK branch/ The Bank of New York Mellon |
| Bermuda | HSBC Bank Bermuda Limited |
| Botswana | Stanbic Bank Botswana Limited |
| Brazil | Citibank N.A., Brazil |
| Bulgaria | Citibank Europe plc, Bulgaria Branch |
| Canada | CIBC Mellon Trust Company (CIBC Mellon) |
| Cayman Islands | The Bank of New York Mellon |
| Channel Islands | The Bank of New York Mellon |
| Chile | Banco de Chile |
| China | HSBC Bank (China) Company Limited |
| Colombia | Cititrust Colombia S.A. Sociedad Fiduciaria |
| Costa Rica | Banco Nacional de Costa Rica |
| Croatia | Privredna banka Zagreb d.d. |
| Cyprus | BNP Paribas Securities Services S.C.A., Athens |
| Czech Republic | Citibank Europe plc, organizacni slozka |
| Denmark | Skandinaviska Enskilda Banken AB (Publ) |
| Egypt | HSBC Bank Egypt S.A.E. |
| Estonia | SEB Pank AS |
| Finland | Skandinaviska Enskilda Banken AB (Publ) |
| France | BNP Paribas Securities Services S.C.A. |
| Germany | The Bank of New York Mellon SA/NV |
| Ghana | Stanbic Bank Ghana Limited |
| Greece | BNP Paribas Securities Services S.C.A., Athens |
| Hong Kong | The Hongkong and Shanghai Banking Corporation Limited |
| Hungary | Citibank Europe plc. Hungarian Branch Office |
| Iceland | Landsbankinn hf. |
| India | Deutsche Bank AG |
| Indonesia | Deutsche Bank AG |
| Ireland | The Bank of New York Mellon |
| Israel | Bank Hapoalim B.M. |
| Italy | Intesa Sanpaolo S.p.A. |
| Japan | Mizuho Bank, Ltd. |
| Japan | MUFG Bank, Ltd. |
| Jordan | Standard Chartered Bank, Jordan branch |
| Kenya | CFC Stanbic Bank Limited |
| Kuwait | HSBC Bank Middle East Limited |
| Latvia | AS SEB banka |
| Lebanon | HSBC Bank Middle East Limited |
| Lithuania | SEB Bankas |
| Malawi | Standard Bank Limited |
| Malaysia | Deutsche Bank (Malaysia) Berhad |
| Malta | The Bank of New York Mellon SA/NV |
| Mauritius | The Hongkong and Shanghai Banking Corporation Limited |
| Mexico | Banco Nacional de México S.A. |
| Morocco | Citibank Maghreb |
| Namibia | Standard Bank Namibia Limited |
| Netherlands | The Bank of New York Mellon SA/NV |
| New Zealand | National Australia Bank Limited |
| Nigeria | Stanbic IBTC Bank Plc. |
| Norway | Skandinaviska Enskilda Banken AB (Publ) |
| Oman | HSBC Bank Oman S.A.O.G. |
| Pakistan | Deutsche Bank AG |
| Panama | Citibank N.A., Panama Branch |
| Peru | Citibank del Peru S.A. |
| Philippines | Deutsche Bank AG |
| Poland | Bank Polska Kasa Opieki S.A. |
| Portugal | Citibank Europe Plc, Sucursal em Portugal |
| Qatar | HSBC Bank Middle East Limited, Doha |
| Romania | Citibank Europe plc, Romania Branch |
| Russia | Deutsche Bank Ltd |
| Saudi Arabia | HSBC Saudi Arabia Limited |
| Serbia | UniCredit Bank Serbia JSC |
| Singapore | DBS Bank Ltd |
| Slovak Republic | Citibank Europe plc, pobocka zahranicnej banky |
| Slovenia | UniCredit Banka Slovenia d.d. |
| South Africa | The Standard Bank of South Africa Limited |
| South Korea | Deutsche Bank AG |
| Spain | Banco Bilbao Vizcaya Argentaria, S.A. |
| Spain | Santander Securities Services, S.A. |
| Sri Lanka | The Hongkong and Shanghai Banking Corporation Limited |
| Swaziland | Standard Bank Swaziland Limited |
| Sweden | Skandinaviska Enskilda Banken AB (Publ) |
| Switzerland | Credit Suisse AG |
| Taiwan | HSBC Bank (Taiwan) Limited |
| Tanzania | Stanbic Bank Tanzania Limited |
| Thailand | The Hongkong and Shanghai Banking Corporation Limited |
| Tunisia | Banque Internationale Arabe de Tunisie |
| Turkey | Deutsche Bank A.S. |
| U.A.E. | HSBC Bank Middle East Limited, Dubai |
| U.K. | The Bank of New York Mellon |

| Country | Delegate |
|---|---|
| U.S.A. | The Bank of New York Mellon |
| Uganda | Stanbic Bank Uganda Limited |
| Ukraine | Public Joint Stock Company "Citibank" |
| Uruguay | Banco Itaú Uruguay S.A. |
| Venezuela | Citibank N.A., Sucursal Venezuela |
| Vietnam | HSBC Bank (Vietnam) Ltd |
| Zambia | Stanbic Bank Zambia Limited |
| Zimbabwe | Stanbic Bank Zimbabwe Limited |

## Appendix G – Securities Financing Transaction Disclosures

**General**

Securities Financing Transactions (SFTs) such as securities lending, repurchase transactions, and total return swaps (TRS) will be used by the Funds at the discretion of the Investment Adviser (subject to their investment objective and policy) either to help meet the investment objective of a Fund and/or as part of efficient portfolio management.

TRSs involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. Where relevant, the Funds will enter into swaps as either the payer or receiver of payments under such swaps.

SFTs are defined as:

(a) a repurchase transaction (which means a transaction governed by an agreement by which a counterparty transfers securities, commodities, or guaranteed rights relating to title to securities or commodities where that guarantee is issued by a recognised exchange which holds the rights to the securities or commodities and the agreement does not allow a counterparty to transfer or pledge a particular security or commodity to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities or commodities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities or commodities and a reverse repurchase agreement for the counterparty buying them);

(b) securities lending and securities borrowing (which means transactions governed by an agreement by which a counterparty transfers securities, or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities and a reverse repurchase agreement for the counterparty buying them);

(c) a buy-sell back transaction or sell-buy back transaction (which means transactions by which a counterparty buys or sells securities, commodities, or guaranteed rights relating to title to securities or commodities, agreeing, respectively, to sell or to buy back securities, commodities or such guaranteed rights of the same description at a specified price on a future date, that transaction being a buy-sell back transaction for the counterparty buying the securities, commodities or guaranteed rights, and a sell-buy back transaction for the counterparty selling them, such buy-sell back transaction or sell-buy back transaction not being governed by a repurchase agreement or by a reverse-repurchase agreement); and

(d) a margin lending transaction (which means a transaction in which a counterparty extends credit in connection with the purchase, sale, carrying or trading of securities, but not including other loans that are secured by collateral in the form of securities).

Save as indicated in the paragraph below, the Funds do not currently use SFTs described in paragraphs (a), (c) and (d) above.

At the discretion of the Investment Adviser, the Euro Reserve Fund and the US Dollar Reserve Fund will invest in eligible reverse repurchase agreements for both liquidity management purposes and for permitted investment purposes. In accordance with Article 15 of MMFR, the assets received as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15% of the MMF's NAV, except where those assets take the form of money market instruments that fulfil the requirements of Article 17(7) of MMFR.

All the Funds, except the Euro Reserve Fund and the US Dollar Reserve Fund, will use securities lending, depending on market conditions as further described below.

The Funds will use the securities lending market to generate additional returns. A Fund seeks to generate additional income through the rate that it charges for lending securities.

The securities lending on-loan percentage of a fund can vary over time due to changes in borrowing demand for different securities, sectors, and asset classes. Changing market dynamics over time results in demand that cannot be forecasted precisely and requires maximum flexibility with respect to the allowed maximum disclosed in the table below in order to anticipate and answer positively to the need of market participants to enter into securities lending transactions with a Fund. These maxima are established by BlackRock's analyses of the borrowing demand of the underlying assets needed over time by the market, which can be lent by the Funds in compliance with local tax regulations. Where there is a borrowing demand for a certain type of security and a Fund does not have sufficient securities of said required type to lend, the demand will then be satisfied by another Fund of the same investment universe and so utilisation differences in similar funds can be observed across fund ranges due to their size. Although it is not anticipated that the permitted maximum will be reached in most of the cases, the Investment Adviser does not wish to prevent investors from benefitting from additional revenue by setting unduly low maximum figures.

The expected proportion of Net Asset Value indicated in the table below is based on historical data and hence indicates the expected range of securities lent that is likely to occur in future. However, past performance is not a guarantee of future results and should not be the sole factor of consideration when selecting a product or strategy. The expected proportion of the NAV of a Fund subject to securities lending may consist in a range rather than a bespoke figure because of the fluctuating demand of the market, it being understood that such a demand cannot be forecasted precisely and is not constant but highly dependent on market conditions as further described below.

**Market Conditions**

Investors' attention is drawn to the fact that borrowing demand fluctuates over time and depends to a large extent on market factors and prevailing investor tax legislation in certain jurisdiction, neither of which can be forecasted precisely. Therefore, due to fluctuations in borrowing demand in the market, future lending volumes could fall outside of the range indicated in the expected proportion of the Net Asset Value in the table below. For the avoidance of doubt and based on historical data, the maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending will typically range between 0% and 49% of the Net Asset Value, though past levels are no guarantee of future levels.

Demand is driven primarily by large banks and broker-dealers on behalf of their clients, including other banking institutions or hedge funds (all together "**Market Players**").

Securities lending can benefit investors in a number of ways:

(a) Additional revenue;

(b) Increased market liquidity, which can reduce trading costs;

(c) Provide a mechanism for efficient price discovery reducing price volatility.

Market Players and end-clients may need to borrow securities and therefore engage into securities lending agreements with a Fund for various reasons such as, but not limited to:

(a) Take active positions or hedge against market risk vis-à-vis a short sale;

(b) Collateral management;

(c) Using borrowed securities to raise short-term finance;

(d) Facilitating the settlement of financial contracts requiring the delivery of a security that could fail otherwise;

(e) Market making.

Changes in a, b, c, d or e over time may trigger higher or lower borrowing demand and therefore lead to an increase or decrease in the exposure of a Fund to securities lending activities. Changes in demand for a, b, c, d or e may be cumulative or independent of each other.

The types of assets that may be subject to SFTs, total return swaps and include equity securities, fixed income securities, collective investment schemes, money market instruments and cash. Use of such assets is subject to a Fund's investment objective and policy.

**Counterparty Selection & Review**

**Repurchase transactions**
The Investment Advisers select from an extensive list of full service and execution-only brokers and counterparties. All prospective and existing counterparties require the approval of the Counterparty Risk Group ("CRG"), which is part of BlackRock's independent Risk & Quantitative Analysis department ("RQA").

In order for a new counterparty to be approved, a requesting portfolio manager or trader is required to submit a request to the CRG. The CRG will review relevant information to assess the credit-worthiness of the proposed counterparty in combination with the type and settlement and delivery mechanism of the proposed security transactions. The counterparties to these transactions must be subject to prudential supervision rules considered by the CSSF to be equivalent to those prescribed by EU law. The counterparties will be entities with legal personality typically located in the EEA or in a country belonging to the Group of Ten or have at least an investment grade rating. The counterparties should be subject to ongoing supervision by a regulated authority. If the counterparty does not fulfil any of these criteria, equivalence to EU law will be demonstrated. A list of approved trading counterparties is maintained by the CRG and reviewed on an ongoing basis.

Counterparty reviews also require the Credit Research group to evaluate the capacity of each repurchase agreement counterparty or each security's issuer, to meet its financial obligations, and in doing so, generally considers, to the extent appropriate, the following factors: (1) financial condition (including an examination of recent financial statements, which should include consideration of trends relating to cash flow, revenue, expenses, profitability, short-term debt and total debt service coverage, and leverage, including financial and operating leverage); (2) sources of liquidity (including consideration of bank lines of credit and alternative sources of liquidity); (3) ability to react to future market-wide and issuer- or guarantor-specific events, including ability to repay debt in a highly adverse situation (which should in turn contain analysis of risk from various scenarios, including changes to the yield curve or spreads, especially in a changing interest rate environment); and (4) strength of the issuer or guarantor's competitive position within its industry (including the general consideration of diversification of sources of revenue, if applicable).

Counterparties are monitored on an ongoing basis through the receipt of audited and interim financial statements, via alert portfolios with market data service providers, and where applicable, as part of BlackRock's internal research process. Formal renewal assessments are performed on a cyclical basis.

The Investment Advisers select brokers based upon their ability to provide good execution quality (i.e. trading), whether on an agency or a principal basis; their execution capabilities in a particular market segment; and their operational quality and efficiency; and we expect them to adhere to regulatory reporting obligations.

Once a counterparty is approved by the CRG, broker selection for an individual trade is then made by the relevant dealer at the point of trade, based upon the relative importance of the relevant execution factors. For some trades, it is appropriate to enter into a competitive tender amongst a shortlist of brokers.

The Investment Advisers perform pre-trade analysis to forecast transaction cost and to guide the formation of trading strategies including selection of techniques, division between points of liquidity, timing and selection of broker. In addition, the Investment Advisers monitor trade results on a continuous basis.

Broker selection will be based on a number of factors including, but not limited to the following:

- Ability to execute and execution quality;
- Ability to provide liquidity/capital;
- Price and quote speed;
- Operational quality and efficiency; and
- Adherence to regulatory reporting obligations.

The Securities Financing Transaction Regulation 2015 (2015/2365) ("SFTR") contains requirements in relation to the selection of counterparties and the eligibility, safekeeping and reuse of collateral. These requirements are set out in Appendix A.

**Securities Lending**
The securities lending agent is authorised to lend to counterparties who have been approved by the CRG. The list of approved counterparties is maintained by the CRG and reviewed on an ongoing basis. The counterparties to these transactions must be subject to prudential supervision rules considered by the CSSF to be equivalent to those prescribed by EU law. The counterparties will be entities with legal personality typically located in the EEA or in a country belonging to the Group of Ten or have at least an investment grade rating. The counterparties should be subject to ongoing supervision by a regulated authority. If the counterparty does not fulfil any of these criteria, equivalence to EU law should be demonstrated. A list of approved trading counterparties is maintained by the CRG and reviewed on an ongoing basis.

Counterparty reviews take into account the fundamental creditworthiness (ownership structure, financial strength, regulatory oversight) and commercial reputation of specific legal entities in conjunction with the nature and structure of proposed trading activities. Counterparties are monitored on an ongoing basis through the receipt of audited and interim financial statements, via alert portfolios with market data service providers, and where applicable, as part of BlackRock's internal research process.

As securities lending does not involve the execution of orders to trade but rather the allocation of loan requests submitted by brokers, BlackRock agrees and settles a requested trade provided the broker has been approved, the value of the proposed transaction does not exceed the aggregate value of loans permitted, and any other execution factor considerations have been met.

**Returns generated by SFTs**
All returns generated from the use of repurchase transactions and total return swaps will be paid to the relevant Fund.

In relation to securities lending only, the securities lending agent, BlackRock Advisors (UK) Limited, receives remuneration in relation to its activities. Such remuneration amounts to 37.5% of the gross revenue from the securities lending activities, with all direct and indirect costs borne out of BlackRock's share. The relevant Funds receive 62.5% of the gross revenue from the securities lending activities. All revenue generated from securities lending activities net of the securities lending agent's fee will be returned to the Company. The fee of the securities lending agent represents direct costs (and if relevant indirect operational costs/fees) of the Company's securities lending activities. The securities lending agent is a related party to the Management Company.

**Proportions of Fund property subject to SFTs**

The table below specifies the maximum and expected proportion of the Net Asset Value of a Fund that can be subject to securities financing transactions for the purposes of the SFTR and is set at the discretion of the Investment Adviser. 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 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 figure is a limit.

| No. | FUND | TRS (in aggregate*) Maximum/Expected proportion of the NAV (%) | Securities Lending** Maximum****/Expected proportion of the NAV (%) | Repurchase Transactions Maximum/Expected proportion of the NAV (%) |
|---|---|---|---|---|
| 1. | AI Innovation Fund | 40/0 | 49/up to 19 | 0/0 |
| 2. | Asian Dragon Fund | 40/0 | 49/ up to 11 | 0/0 |
| 3. | Asian High Yield Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 4. | Asian Multi-Asset Income Fund | 70/30 | 49/ up to 40 | 0/0 |
| 5. | Asia Pacific Bond Fund | 25/0-5 | 49/ up to 40 | 0/0 |
| 6. | Asian Tiger Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 7. | Brown To Green Materials Fund | 0/0 | 49/up to 40 | 0/0 |
| 8. | China Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 9. | China Fund | 40/0 | 49/ up to 12 | 0/0 |
| 10. | China Multi-Asset Fund | 10/0 | 0/0 | 0/0 |
| 11. | China Onshore Bond Fund | 40/0-10 | 49/ up to 40 | 0/0 |
| 12. | Circular Economy Fund | 40/0-10 | 49/ up to 19 | 0/0 |
| 13. | Climate Transition Multi-Asset Fund | 25/0-10 | 49/ up to 40 | 0/0 |
| 14. | Continental European Flexible Fund | 40/0 | 49/ up to 14 | 0/0 |
| 15. | Diversified Tactical Fund | 150/50 | 49/0 | 0/0 |
| 16. | Dynamic High Income Fund | 10/0 | 49/ up to 49 | 0/0 |
| 17. | Dynamic Infrastructure Opportunities Fund | 40/0-10 | 49/ up to 20 | 0/0 |
| 18. | Emerging Europe Fund | 40/0 | 49/ up to 40 | 0/0 |
| 19. | Emerging Markets Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 20. | Emerging Markets Corporate Bond Advanced Fund | 10/2 | 49/ up to 40 | 0/0 |
| 21. | Emerging Markets Corporate Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 22. | Emerging Markets Equity Income Fund | 40/0 | 49/ up to 10 | 0/0 |
| 23. | Emerging Markets Ex-China Fund | 40/0 | 49/ up to 40 | 0/0 |
| 24. | Emerging Markets Fund | 40/0 | 49/ up to 15 | 0/0 |
| 25. | Emerging Markets Impact Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 26. | Emerging Markets Local Currency Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 27. | Emerging Markets Sustainable Equity Fund | 40/0-10 | 49/ up to 10 | 0/0 |
| 28. | ESG Emerging Markets Blended Bond Fund | 30/15 | 49/ up to 40 | 0/0 |
| 29. | ESG Emerging Markets Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 30. | ESG Emerging Markets Local Currency Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 31. | ESG Multi-Asset Fund | 140/100 | 49/ up to 19 | 0/0 |
| 32. | Euro Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 33. | Euro Corporate Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 34. | Euro High Yield Fixed Maturity Bond Fund 2027 | N/A | 49/ up to 40 | N/A |

| No. | FUND | TRS (in aggregate*) Maximum/Expected proportion of the NAV (%) | Securities Lending** Maximum****/Expected proportion of the NAV (%) | Repurchase Transactions Maximum/Expected proportion of the NAV (%) |
|---|---|---|---|---|
| 35. | Euro High Yield Fixed Maturity Bond Fund 2028 | N/A | 49/ up to 40 | N/A |
| 36. | Euro High Income Fixed Maturity Bond Fund 2030 | N/A | 49/ up to 40 | N/A |
| 37. | Euro High Income Fixed Maturity Bond Fund 2031 | N/A | 49/ up to 40 | N/A |
| 38. | Euro Income Fixed Maturity Bond Fund 2030 | N/A | 49/ up to 40 | N/A |
| 39. | Euro Income Fixed Maturity Bond Fund 2029 | N/A | 49/ up to 40 | N/A |
| 40. | Euro Income Fixed Maturity Bond Fund 2031 II | N/A | 49/ up to 40 | N/A |
| 41. | Euro Income Fixed Maturity Bond Fund 2031 | N/A | 49/up to 40 | N/A |
| 42. | Euro Investment Grade Fixed Maturity Bond Fund 2027 | N/A | 49/ up to 40 | N/A |
| 43. | Euro Investment Grade Fixed Maturity Bond Fund 2028 | N/A | 49/ up to 40 | N/A |
| 44. | Euro Reserve Fund | 0/0 | 0/0 | 10***/0 |
| 45. | Euro Short Duration Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 46. | Euro-Markets Fund | 40/0 | 49/ up to 24 | 0/0 |
| 47. | European Equity Income Fund | 40/0 | 49/ up to 16 | 0/0 |
| 48. | European Equity Transition Fund | 40/0 | 49/ up to 10 | 0/0 |
| 49. | Euro Flexible Income Bond Fund | 25/0-10 | 49/ up to 40 | 0/0 |
| 50. | European Fund | 40/0 | 49/ up to 11 | 0/0 |
| 51. | European High Yield Bond Fund | 10/0 | 49/ up to 40 | 0/0 |
| 52. | European Multi-Asset Income Fund | 20/0 | 49/ up to 40 | 0/0 |
| 53. | European Blend Equity Fund | 40/0 | 49/ up to 15 | 0/0 |
| 54. | European Sustainable Equity Fund | 40/0-10 | 49/ up to 19 | 0/0 |
| 55. | European Value Fund | 40/0 | 49/ up to 12 | 0/0 |
| 56. | FinTech Fund | 40/0-10 | 49/ up to 19 | 0/0 |
| 57. | Fixed Income Global Opportunities Fund | 25/0-10 | 49/ up to 40 | 0/0 |
| 58. | Future Of Transport Fund | 40/0-10 | 49/ up to 19 | 0/0 |
| 59. | Global Allocation Fund | 25/15 | 49/ up to 40 | 0/0 |
| 60. | Global Bond Income Fund | 25/0-10 | 49/ up to 40 | 0/0 |
| 61. | Global Corporate Bond Fund | 40/0 | 49/ up to 40 | 0/0 |
| 62. | Global Dynamic Equity Fund | 25/15 | 49/ up to 15 | 0/0 |
| 63. | Global Equity Income Fund | 40/0 | 49/ up to 14 | 0/0 |
| 64. | Global Government Bond Fund | 10/0-2 | 49/ up to 40 | 0/0 |
| 65. | Global High Yield Bond Fund | 10/3 | 49/ up to 40 | 0/0 |
| 66. | Global Inflation Linked Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 67. | Global Listed Infrastructure Fund | 40/ up to 10 | 49/ up to 39 | N/A |
| 68. | Global Long-Horizon Equity Fund | 10/0 | 49/ up to 17 | 0/0 |
| 69. | Global Multi-Asset Income Fund | 10/0 | 49/ up to 49 | 0/0 |
| 70. | Global Securitised Fund | 0/0 | 49/ up to 40 | 0/0 |
| 71. | Global Smaller Companies Fund | 0/0 | 49/ up to 40 | 0/0 |
| 72. | Global Unconstrained Equity Fund | 50/0 | 49/ up to 19 | 0/0 |
| 73. | Impact Bond Fund | 10/0-2 | 49/ up to 22 | 0/0 |
| 74. | India Fund | 40/0 | 49/ up to 40 | 0/0 |
| 75. | Japan Flexible Equity Fund | 40/0 | 49/ up to 35 | 0/0 |

| No. | FUND | TRS (in aggregate*) Maximum/Expected proportion of the NAV (%) | Securities Lending** Maximum****/Expected proportion of the NAV (%) | Repurchase Transactions Maximum/Expected proportion of the NAV (%) |
|---|---|---|---|---|
| 76. | Japan Small & MidCap Opportunities Fund | 40/0 | 49/ up to 27 | 0/0 |
| 77. | Latin American Fund | 40/0 | 49/ up to 40 | 0/0 |
| 78. | MENA Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 79. | Multi-Theme Equity Fund | 10/0 | 0/0 | 0/0 |
| 80. | MyMap Cautious Fund | 40/0-10 | 49/ up to 40 | 0/0 |
| 81. | MyMap Growth Fund | 40/0-10 | 49/ up to 40 | 0/0 |
| 82. | MyMap Moderate Fund | 40/0-10 | 49/ up to 40 | 0/0 |
| 83. | Natural Resources Fund | 40/0 | 49/ up to 22 | 0/0 |
| 84. | Next Generation Technology Fund | 40/0 | 49/ up to 19 | 0/0 |
| 85. | Step Into Equity High Income Fund 2030 | 10/0 | 49/ up to 25 | 0/0 |
| 86. | Sukuk Fund | 0/0 | 0/0 | 0/0 |
| 87. | Sustainable Energy Fund | 40/0 | 49/ up to 19 | 0/0 |
| 88. | Sustainable Global Allocation Fund | 25/15 | 49/up to 24 | 0/0 |
| 89. | Swiss Small & MidCap Opportunities Fund | 40/0 | 49/ up to 20 | 0/0 |
| 90. | Systematic Asia Pacific Equity High Income Fund | 40/0 | 49/ up to 25 | 0/0 |
| 91. | Systematic China A-Share Opportunities Fund | 10/0 | 49/ up to 10 | 0/0 |
| 92. | Systematic China Environmental Tech Fund | 10/0 | 49/up to 10 | 0/0 |
| 93. | Systematic Islamic GCC Equity Fund | 0/0 | 49/0 | 0/0 |
| 94. | Systematic Islamic Saudi Arabia Equity Fund | 0/0 | 49/0 | 0/0 |
| 95. | Systematic Multi Allocation Credit Fund | 25/0-10 | 49/ up to 40 | 0/0 |
| 96. | Systematic Global Equity High Income Fund | 40/0 | 49/ up to 16 | 0/0 |
| 97. | Systematic Global Income & Growth Fund | 40/0 | 49/ up to 25 | 0/0 |
| 98. | Systematic Global SmallCap Fund | 40/0 | 49/ up to 29 | 0/0 |
| 99. | Systematic Nasdaq Equity High Income Fund | 40/0 | 49/up to 25 | 0/0 |
| 100. | United Kingdom Fund | 40/0 | 49/ up to 17 | 0/0 |
| 101. | US Basic Value Fund | 40/0 | 49/ up to 14 | 0/0 |
| 102. | US Dollar Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 103. | US Dollar High Yield Bond Fund | 10/3 | 49/ up to 40 | 0/0 |
| 104. | US Dollar Reserve Fund | 0/0 | 0/0 | 40***/20 |
| 105. | US Dollar Short Duration Bond Fund | 10/2 | 49/ up to 40 | 0/0 |
| 106. | US Flexible Equity Fund | 40/0 | 49/ up to 10 | 0/0 |
| 107. | US Growth Fund | 40/0 | 49/ up to 17 | 0/0 |
| 108. | US Mid-Cap Value Fund | 40/0 | 49/ up to 23 | 0/0 |
| 109. | World Bond Fund | 10/0-2 | 49/ up to 40 | 0/0 |
| 110. | World Energy Fund | 40/0 | 49/ up to 25 | 0/0 |
| 111. | World Financials Fund | 40/0 | 49/ up to 20 | 0/0 |
| 112. | World Gold Fund | 40/0 | 49/ up to 12 | 0/0 |

| No. FUND | TRS (in aggregate*) Maximum/Expected proportion of the NAV (%) | Securities Lending** Maximum****/Expected proportion of the NAV (%) | Repurchase Transactions Maximum/Expected proportion of the NAV (%) |
|---|---|---|---|
| 113. World Healthscience Fund | 40/0 | 49/ up to 16 | 0/0 |
| 114. World Islamic Gold Fund | 0/0 | 0/0 | 0/0 |
| 115. World Mining Fund | 40/0 | 49/ up to 10 | 0/0 |
| 116. World Real Estate Securities Fund | 10/10 | 49/ up to 40 | 0/0 |
| 117. World Technology Fund | 40/0 | 49/ up to 19 | 0/0 |

*Within the total ranges noted above, the Funds' exposure TRS will vary. Further details of exposures to TRS can be obtained from the Company's registered office.

**The maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending is indicated in the table above. The demand to borrow securities and to comply with investor tax regulations in certain jurisdiction 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 jurisdiction, neither of which can be forecasted precisely. Due to fluctuations in borrowing demand in the market, future lending volumes could fall outside of the range indicated as the expected proportion of the Net Asset Value in the table above. For the avoidance of doubt and based on historical data, the maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending will typically range between 0% and 49% of the Net Asset Value, though past levels are no guarantee of future levels.

*** In accordance with Article 15 of MMFR, the assets received as part of a reverse repurchase agreement shall be sufficiently diversified with a maximum exposure to a given issuer of 15% of the MMF's NAV, except where those assets take the form of money market instruments that fulfil the requirements of Article 17(7) of MMFR.

**** It is the intention of the Investment Adviser that maxima are strict limits. It should be noted that such maxima are based on past performances and such past performances can never guarantee future results. In this respect, these maxima may be temporally exceeded should the demand drastically and unpredictably shift to an upward trend in the conditions set forth in the section "Market Conditions" of this Appendix G.

## Summary of Subscription Procedure and Payment Instructions

1. **Application Form**
   For initial subscriptions for Shares you must complete the Application Form which may be obtained from the Transfer Agent and the form must be signed by all joint applicants. Subsequent subscriptions may be made electronically via 'straight through process' (STP), or if this option is unavailable then by fax (followed by original via post) and the Management Company may, at its sole discretion, accept individual dealing orders submitted via other forms of electronic communication at, stating your registration details and the amount to be invested. If your application is being submitted by your professional adviser, section 5 of the Application Form should be completed. Completed application forms must be sent to the Transfer Agent.

2. **Money Laundering Prevention**
   Please read the notes on the application form regarding the identification documents required and ensure that you provide these to the Transfer Agent or the Distributor (in the case of certain Polish investors) together with your application form.

3. **Payment**
   A copy of your telegraphic transfer instructions should be supplied with your application (see sections 4 and 5 below).

4. **Payment by Telegraphic Transfer**
   Payment by SWIFT/bank transfer in the relevant currency should be made to one of the accounts opposite. The SWIFT/bank transfer instruction should contain the following information:

   (i) Bank Name
   (ii) SWIFT Code or Bank Identifier
   (iii) Account (IBAN)
   (iv) Account Number
   (v) Account Reference – "BGF – Fund name subscribed into and BGF account number / contract reference number"
   (vi) By order of Shareholder name/agent name & Shareholder number/agent number

   An applicant's obligation to pay for Shares is fulfilled once the amount due has been paid in cleared funds into this account.

5. **Foreign Exchange**
   If you wish to make payment in a currency other than that in the Dealing Currency (or one of the Dealing Currencies) of your chosen Fund, this must be made clear at the time of application.

6. **Bank Details**
   All information regarding bank details and settlement instructions can be found under the following links:

   https://www.blackrock.com/uk/intermediaries/literature/investor-education/bgf-bsf-bgif-standard-settlement-instructions-emea.pdf

   https://www.blackrock.com/uk/individual/literature/investor-education/bgf-bsf-bgif-standard-settlement-instructions-emea.pdf

   https://www.blackrock.com/institutions/en-gb/literature/investor-education/bgf-bsf-bgif-standard-settlement-instructions-insti-en.pdf

## Appendix H – SFDR Pre-Contractual Disclosure

This Appendix comprises the pre-contractual disclosure "PCDs" for those Funds classified as Article 8 or Article 9 products pursuant to the SFDR. These PCDs are intended to ensure that all sustainability claims of relevant Funds are supported with information and that this is done in a way that enables investors to compare funds. The form of disclosure is mandated by the European Commission and the Management Company is not permitted to amend or deviate from the template.

The PCDs introduce some new terms to the prospectus (some are described below) which should be read alongside the section of this prospectus entitled "Investment Objectives and Policies" and information available on the product pages of the BlackRock website, www.blackrock.com/lu.

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. It is a term that is strictly defined by the SFDR and so even though an investment might, in everyday terms, be reasonably considered to be in sustainable asset it may not qualify as a Sustainable Investment under the technical definition in the SFDR. Investors should therefore make a personal assessment of the sustainable and ESG characteristics of a Fund prior to investing.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

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.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

The EU Taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. For the time being, it does not include a list of socially sustainable economic activities. Sustainable Investments with an environmental objective might be aligned with the Taxonomy or not.

The following Funds are covered in this Appendix:

Article 8 Funds: AI Innovation Fund, Asia Pacific Bond Fund, Brown To Green Materials Fund, China Fund, China Multi-Asset Fund, China Onshore Bond Fund, Climate Transition Multi-Asset Fund, Continental European Flexible Fund, Dynamic Infrastructure Opportunities Fund, Emerging Markets Corporate Advanced Bond Fund, Emerging Markets Sustainable Equity Fund, ESG Emerging Markets Blended Bond Fund, ESG Emerging Markets Bond Fund, ESG Emerging Markets Local Currency Bond Fund, ESG Multi-Asset Fund, Euro High Yield Fixed Maturity Bond Fund 2027, Euro High Yield Fixed Maturity Bond Fund 2028, Euro High Income Fixed Maturity Bond Fund 2030, Euro High Income Fixed Maturity Bond Fund 2031, Euro Income Fixed Maturity Bond Fund 2029, Euro Income Fixed Maturity Bond Fund 2030, Euro Income Fixed Maturity Bond Fund 2031 II, Euro Income Fixed Maturity Bond Fund 2031, Euro Investment Grade Fixed Maturity Bond Fund 2027 (1), Euro Investment Grade Fixed Maturity Bond Fund 2028, Euro Bond Fund, Euro Corporate Bond Fund, Euro Short Duration Bond Fund, Euro-Markets Fund, European Equity Income Fund, European Equity Transition Fund, Euro Flexible Income Bond Fund, European Fund, European High Yield Bond Fund, European Multi-Asset Income Fund, European Blend Equity Fund, European Sustainable Equity Fund, European Value Fund, FinTech Fund, Global Equity income Fund, Global Government Bond Fund, Global High Yield Bond Fund, Global Listed Infrastructure Fund, Global Long-Horizon Equity Fund, Global Securitised Fund, Global Unconstrained Equity Fund, Japan Flexible Equity Fund, Japan Small & MidCap Opportunities Fund, Multi-Theme Equity Fund, Next Generation Technology Fund, Sustainable Global Allocation Fund, Swiss Small & MidCap Opportunities Fund, Systematic China A-Share Opportunities Fund, Systematic Multi Allocation Credit Fund, Systematic Global Income & Growth Fund, Systematic China Environmental Tech Fund, Systematic Global SmallCap Fund, United Kingdom Fund, US Dollar High Yield Bond Fund, US Growth Fund, US Flexible Equity Fund, World Bond Fund, World Financials Fund, World Healthscience Fund, World Real Estate Securities Fund and World Technology Fund.

Article 9 Funds: Circular Economy Fund, Emerging Markets Impact Bond Fund, Future Of Transport Fund, Impact Bond Fund, and Sustainable Energy Fund.

**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: AI Innovation Fund**
**Legal entity identifier: 529900MOGOJJXYJ9XI15**

## Environmental and/or social characteristics

***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.*

**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 ____% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund seeks to maximise total return and capital growth, and invest in a manner consistent with the principles of environmental, social and governance ("ESG") investing. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is the advancement, development and use of artificial intelligence (AI) technology. The Investment Adviser considers, in its discretion, that a company is an AI company if it is expected to derive future revenue from the advancement, development and use of AI Technology.

Such companies are generally expected to operate in one or more of the following areas: (i) computing and infrastructure (e.g., Graphics Processing Units (GPUs), cloud computing and data centers); (ii) foundational models; (iii) data (e.g., vertical industry data and proprietary data); (iv) software (e.g., enterprise applications); (v) services (e.g., information technology ("IT") services); (vi) internet (e.g., chatbots or content creation); or (vii) hardware (e.g., robotics, smart glasses).

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  - Application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.



**What is the asset allocation planned for this financial product?**

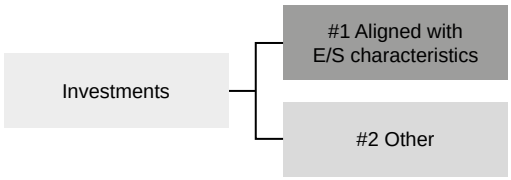
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments('#2 Other').

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

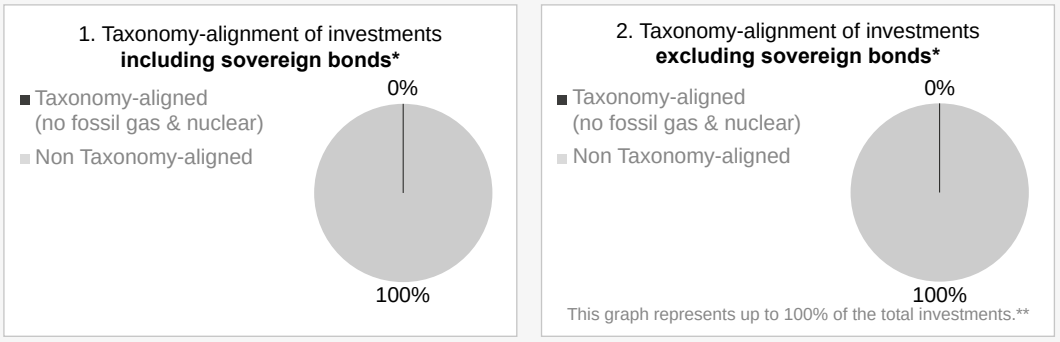
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

**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: Asia Pacific Bond Fund**
**Legal entity identifier: 549300JZ0LV6GHH1FT27**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

Greenhouse gas emissions are categorised into three groups or “scopes” by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting issuer. Scope 3 includes all other indirect emissions that occur in an issuer’s value chain. The Fund seeks to have a lower weighted average absolute Greenhouse Gas (GHG) emissions (excluding green and sustainable bonds), which is the estimated greenhouse gas (Scope 1 + Scope 2) emission that is 30% lower than the ESG Reporting Index. For the avoidance of doubt, Scope 3 is not currently considered for this calculation and only non-sovereign bonds are considered.

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. The Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Capped Index (the “ESG Reporting Index”) is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Fund include:

  - The Fund's carbon emissions, as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

  Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its carbon reduction target.

The Fund takes into account the following PAIs:

- GHG emissions
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund seeks to maximise income without sacrificing long term capital growth. The Fund invests at least 70% of its total assets in fixed income transferable securities of issuers domiciled in, or exercising the predominant part of their economic activity in the Asia Pacific region.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

the Investment Adviser intends the Fund to have a lower weighted average absolute GHG emissions (excluding green and sustainable bonds), which is the estimated greenhouse gas (Scope 1 + Scope 2) emission that is 30% lower than the ESG Reporting Index.

- ***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 as follows:

  - Application of the BlackRock EMEA Baseline Screens, described above.
  - Maintain that the Fund's weighted average absolute GHG emission is 30% lower than the ESG Reporting Index as described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

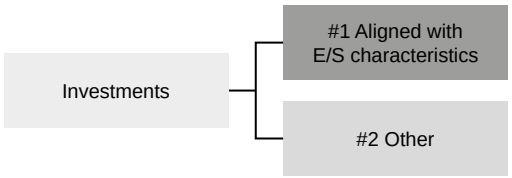
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 30% of its total assets in other investments ('#2 Other').

**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.




**#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.

***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. For derivatives, any analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

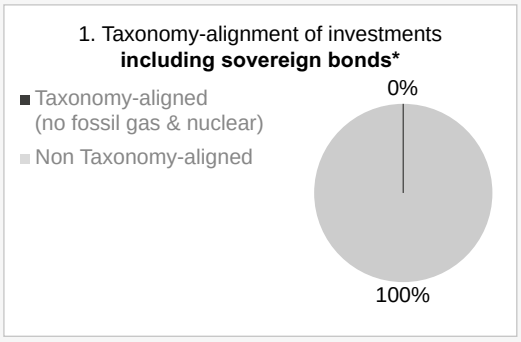
☐ Yes

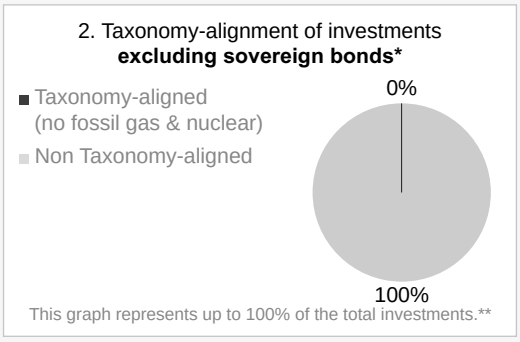
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the iBoxx USD Asia-Pacific ex-Greater China Non-Sovereigns Investment Grade Capped Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

**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: China Fund**
**Legal entity identifier: 549300835EE70C7CKG16**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the People's Republic of China. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

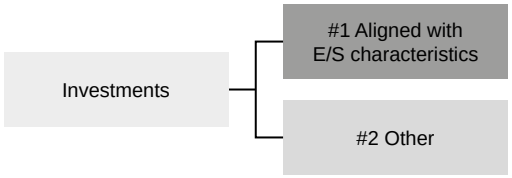
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

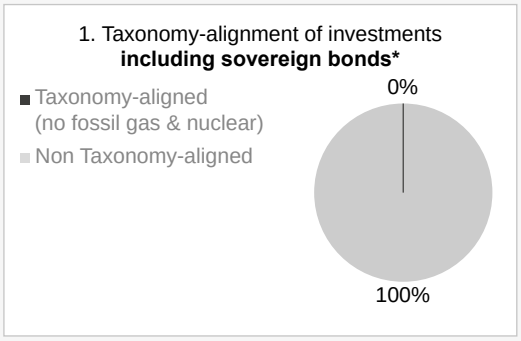
☐ Yes

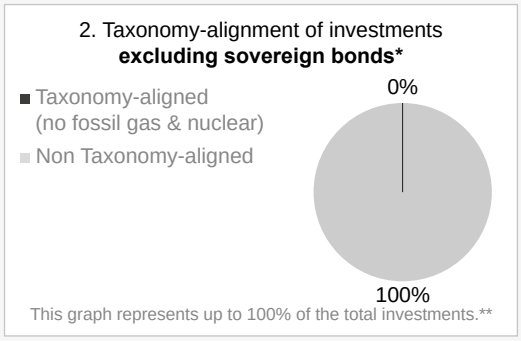
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: China Onshore Bond Fund**
**Legal entity identifier: 549300Q3DMBDT56WEZ03**

## Environmental and/or social characteristics

***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.*

**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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 10% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. The Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Investors should please note in relation to the screen which covers the UN Global Compact Principles (which cover human rights, labour standards, the environment and anti-corruption) that at the time of the launch of this Fund coverage of the investable universe is limited but is expected to improve over time. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Fund include:

  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's holdings in use-of-proceeds bonds, including "green bonds", "sustainable bonds" and "social bonds" (each as defined by BlackRock's corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively).
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 invests at least 10% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

  b) the issuer's business practices contribute to an Environmental and/or Social Objective; or

  c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or

  d) the fixed income securities are aligned with an Environmental and/or Social Objective

- ***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?***

  Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

  Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, the Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. The Fund will provide information on the PAIs in its annual report.



**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 Fund invests at least 70% of its total assets in fixed income transferable securities denominated in Renminbi issued by entities exercising the predominant part of their economic activity in the PRC (through recognized mechanisms including (but not limited to) the Chinese Interbank Bond Market, the exchange bond market, quota system and/or through onshore or offshore issuances and/or any future developed channels and on a temporary basis for liquidity management purposes, the holdings of cash and near cash instruments.

The Fund will apply the BlackRock EMEA Baseline Screens. Investors should please note in relation to the screen which covers the UN Global Compact Principles (which cover human rights, labour standards, the environment and anti-corruption) that at the time of the launch of this Fund coverage of the investable universe is limited but is expected to improve over time.

The Investment Adviser also intends to invest at least 10% of the Fund's total assets in "green bonds", "sustainable bonds" and "social bonds" (each as defined by its corresponding proprietary

methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively).

- ***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 as follows:

  - Maintain that the Fund holds at least 10% in Sustainable Investments.
  - Application of the BlackRock EMEA Baseline Screens described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

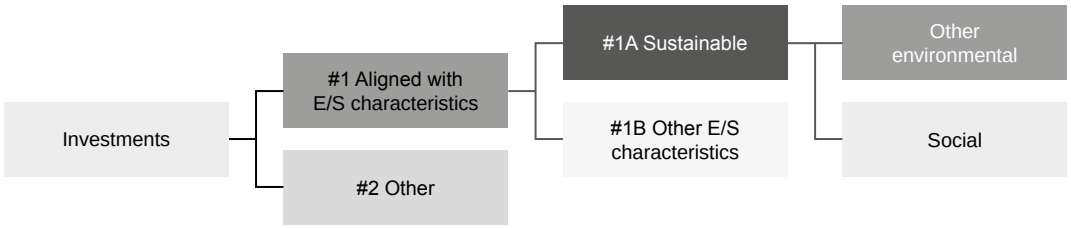
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 10% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental).

The Fund may invest up to 30% of its total assets in other investments ('#2 Other').

**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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

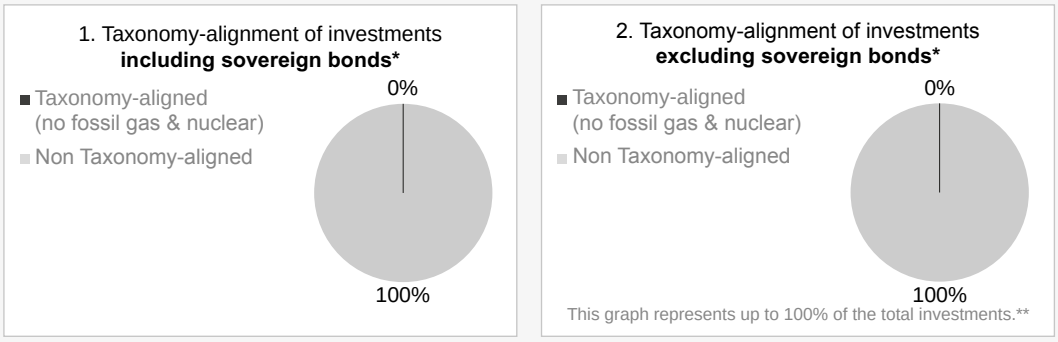
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**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 total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 10% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf.

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name: Circular Economy Fund**
**Legal entity identifier: 549300DE2JONQNRY6N75**

## Sustainable investment objective

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ✔ **Yes** | ●○ ☐ **No** |
|---|---|
| ✔ It will make a minimum of **sustainable investments with an environmental objective: 15%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ 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 ___% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>☐ with a social objective |
| ✔ It will make a minimum of **sustainable investments with a social objective: 1%** | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |



**What is the sustainable investment objective of this financial product?**

The Fund invests at least 80% of its total assets in the equity securities of companies globally that benefit from, or contribute to, the advancement of the "Circular Economy".

The Circular Economy concept recognises the importance of a sustainable economic system and represents an alternative economic model to the default "make-use-throw away" approach of consumption, which is believed to be unsustainable given scarce resources and the rising cost of managing waste. The Circular Economy concept promotes the redesign of products and systems to minimise waste and to enable greater recycling and reuse of materials.

The Fund invests a minimum of 80% of its total assets in Sustainable Investments, across environmental and social objectives. The minimum for each Sustainable Investment objective is set out in the box above. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

An investment will be assessed as contributing to an Environmental and/or Social Objective where:

a) a minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

b) the issuer's business practices contribute to an Environmental and/or Social Objective.

The Fund considers key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

This Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund promotes limiting global temperature rises within the targets set in the Paris Agreement by excluding investment in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO2 e/kWh.

The Fund also promotes social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti-corruption by excluding investment in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to apply these exclusions, we rely on a third-party data provider (MSCI).

The Fund may invest in 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. Such investments in GSS bonds 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 (as described in (c) above) 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.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of collective investment schemes) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Fund's ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Fund and so provides exposure to securities which are inconsistent with the Fund's ESG criteria.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, MSCI AII Countries World Index (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

- The Fund's holdings in Sustainable Investments, as described above.
- The Fund's, environmental, social and governance ("ESG") rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
- The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the exclusionary screens, as described above.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.



**Does this financial product consider principal adverse impacts on sustainability factors?**

✔ Yes

☐ No

This Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund will aim to invest in line with the principles of the Circular Economy as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation, across all industry sectors, that benefit from the Circular Economy and/or contribute to the advancement of the Circular Economy across three categories:

Adopters: Companies that are adopting 'circularity' in their business operations (e.g. companies involved in sustainable fashion or companies that have made a commitment to use recycled plastics in production processes).

Enablers: Companies that provide new, innovative solutions directly aimed at solving inefficient material use and pollution (e.g. companies involved in recycling of products, companies involved in reducing inputs such as water and energy and companies enabling sustainable transportation).

Beneficiaries: Companies that provide alternatives to materials that cannot be recycled or supply these to the extended value chain (e.g. companies that will see an increase in demand for their products from shifts towards more easily recyclable products and companies that offer natural or plant-based circular alternatives to non-recyclable and non-biodegradable products).

The assessment of a company's benefit from and/or contribution to the advancement of the Circular Economy in each of the above categories may be based on percentage of revenue, a defined total revenue threshold, or any connection to the Circular Economy regardless of the amount of revenue received. The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with the Circular Economy and on their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials. The Investment Adviser considers such companies to be Sustainable Investments.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Fund applies the EU Paris-aligned Benchmark Exclusions.

The Investment Adviser uses its analysis to create a portfolio that has a higher ESG rating than the Index after eliminating at least 20% of the least well-rated securities from the Index.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  The binding elements of the investment strategy are as follows:

  - Maintain that all of the Fund's investments will be Sustainable Investments (save for instruments used for the purposes of liquidity management and/or hedging, which will not exceed 20% of the Fund's total assets). In relation to such Sustainable Investments, at least 15% of the Fund's total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective.
  - Maintain that the weighted average ESG rating of the Fund will be higher than the ESG rating of the Index after eliminating at least 20% of the lowest rated securities from the Index.
  - Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.
  - Application of the exclusionary screens described above.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation and the minimum share of sustainable investments?**

All of the Fund's investments will be Sustainable Investments or instruments used for the purposes of liquidity management and/or hedging. Investments used for the purposes of liquidity management and/or hedging will not exceed 20% of the Fund's total assets.

A minimum of 80% of the Fund's total assets will be invested in Sustainable investments (#1 Sustainable).

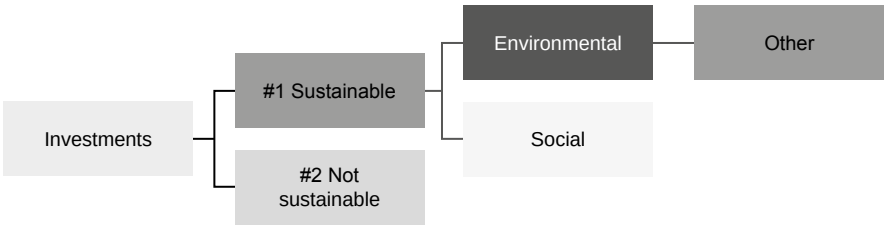
In relation to these Sustainable Investments (#1 Sustainable), at least 15% of the Fund's total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective. The remainder of the Fund's Sustainable Investments may fluctuate between these two types of Sustainable Investment.

The Fund may invest up to 20% of its total assets in other investments (#2 Not sustainable).

**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.




**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

- ***How does the use of derivatives attain the sustainable investment objective?***

  Where derivatives are used for investment purposes, they are assessed against the criteria for Sustainable Investments. Derivatives may also be used for limited other purposes such as liquidity and hedging, and any ESG rating or analyses referenced above will apply only to the underlying investment in respect of such derivatives.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

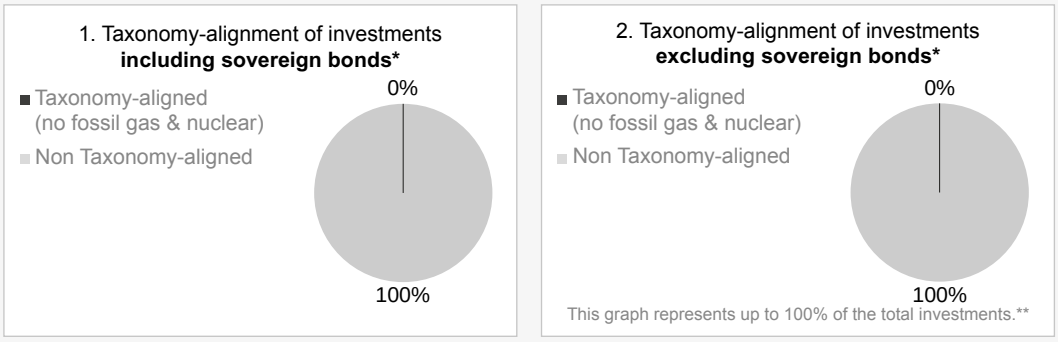
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**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 total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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 objectives - 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.

**What is the minimum share of sustainable investments with a social objective?**

A minimum of 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective.

**What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

The use of such investments does not affect the delivery of the sustainable investment objective, as these investments are used for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

Please note that the MSCI AII Countries World Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf.

**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: Continental European Flexible Fund**
**Legal entity identifier: 549300EK4APWIQOV3Y73**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

3. The Fund's holdings of underlying MMFs meeting the above criteria

- ***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 does not commit to invest in Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe excluding the UK. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

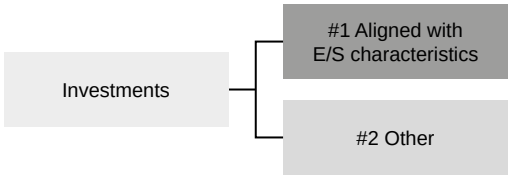
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

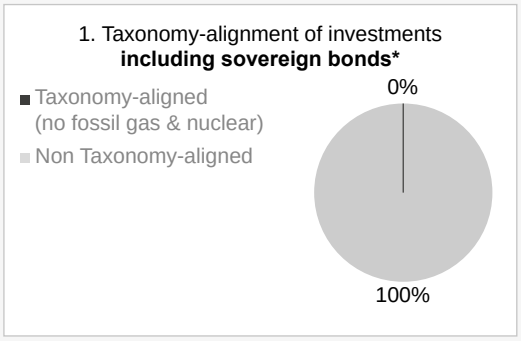
☐ Yes

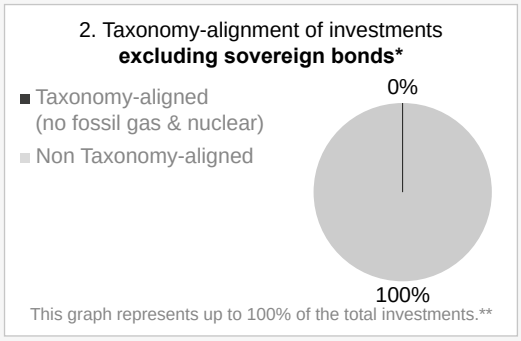
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Dynamic Infrastructure Opportunities Fund**
**Legal entity identifier: 549300MW34RL70JW4V90**

## Environmental and/or social characteristics

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ☐ **Yes** | ●○ ✔ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective: ____%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ✔ 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 20% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>✔ 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund promotes environmental and social characteristics by investing in assets that align to the principles of the transition theme (as defined in more detail below). As well as being aligned to the principles of the transition theme, at least 70% of the Fund's total assets will be invested in companies which qualify under BlackRock's 'Transition Assessment' methodology.

The Fund will invest in line with the principles of the transition theme as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of infrastructure companies with large, medium and small market capitalization.

The Fund invests a minimum of 20% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

This Fund applies the EU Climate Transition Benchmark Exclusions.

The Fund promotes social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment

and anti-corruption by excluding investment in companies deemed to have failed to comply with the 10 UN Global Compact Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to apply these exclusions, we rely on a third-party data provider (MSCI).

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of collective investment schemes) to issuers with exposures that are inconsistent with the EU Climate Transition Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Fund's ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Fund and so provides exposure to securities which are inconsistent with the Fund's ESG criteria.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Fund include:

  - The Fund's holdings in investments aligned to the transition theme and assessed using BlackRock's 'Transition Assessment' methodology as described in more detail below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the exclusionary screens, as described above.
  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  1. minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or
  2. the issuer's business practices contribute to an Environmental and/or Social Objective.

- ***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?***

  Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through its alignment to the transition theme and the application of its exclusionary policy.

The Fund takes into account the following PAIs:
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, the Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. The Fund will provide information on the PAIs in its annual report.



**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 Fund will invest in line with the principles of the transition theme as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of infrastructure companies with large, medium and small market capitalization. The Fund will invest at least 70% of its assets in equities or equity-related securities of infrastructure companies, that contribute to the advancement of the transition theme in any of these three categories:

Improvers: companies which are demonstrating momentum in improving their operations;

Peer Group Leaders: companies which are already considered as Peer Group Leaders on their operations;

Solutions & Key Inputs: companies providing key inputs or finished goods and services to support the real world decarbonization.

Investments that qualify under BlackRock's 'Transition Assessment' methodology must demonstrate they are on a clear and measurable transition path, either because the issuer (1) provides products and services to facilitate low carbon transition in the broader economy; or (2) is on a low carbon transition itself. Such qualifying investments must meet one or more of the following criteria:

Issuers facilitating low carbon transition

- Investee companies which earn at least 20% of their annual revenues from activities with positive environmental impact and / or align with climate mitigation and adaption. Qualifying revenue streams are based on data vendor methodologies and / or BlackRock research for sustainable revenue identification.
  *Example: issuers that gain sufficient revenue from the manufacture of solar panels, solar cells, generation of power from solar sources, or the production / mining of metal required in such process.*
- Investments in companies with business models which are well positioned for or potential leaders i the low carbon transition.
  *Example: renewable energy producers, software enablers for transition.*

Transitioning issuers

- Investee companies decarbonising their operations which have established climate targets and commitments using data from the Science Based Targets Initiative (SBTi); and/or Investee companies which have been determined by the Investment Adviser as credible carbon reducers and are expected to demonstrate significant progress towards decarbonizing their operations; and/or investee companies have quantitative target identification data from data vendors - where such targets and commitments are monitored by accessing company data supplied by data vendors.
  *Example: companies at different stages of a Net Zero business plan with a validated target to improve their carbon emissions intensity.*

- Investee companies otherwise transitioning their business model and operations and identified through the use of well-established vendor data models as a company with implied temperature outcomes consistent with a clear and measurable path to transition.
  *Example: companies with lower implied temperature measures due to their projected trend of decarbonisation or current lower carbon economic activities.*

- ***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 as follows:

- Maintain that the Fund holds at least 70% in investments which align to the BlackRock's 'Transition Assessment' methodology (as described above).

- Maintain that the Fund holds at least 20% in Sustainable Investments.

- Application of the exclusionary screens described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.



**What is the asset allocation planned for this financial product?**

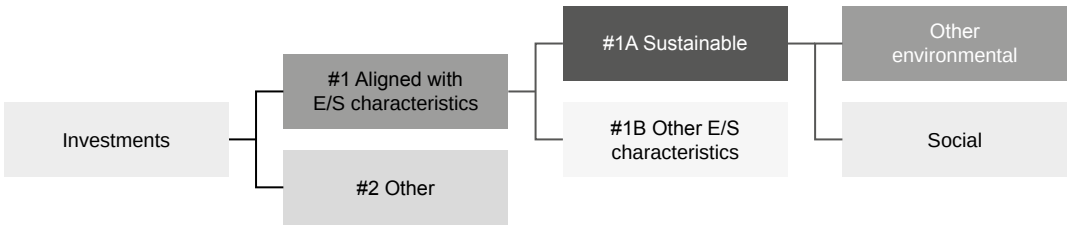
**Asset allocation** describes the share of investments in specific assets.

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.

A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

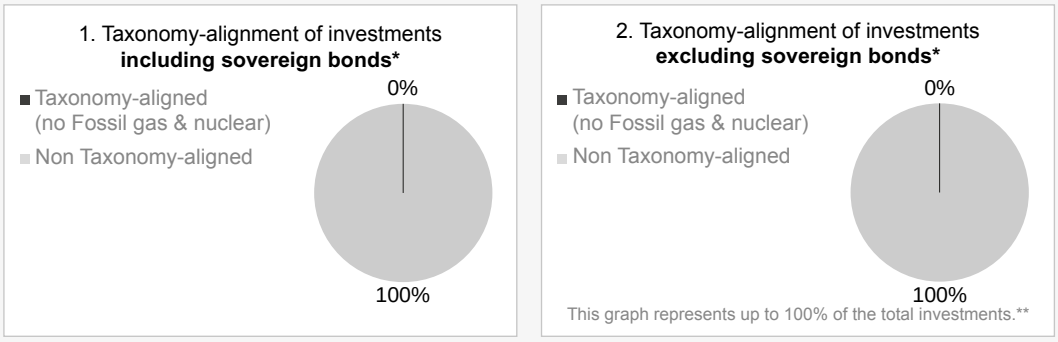
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.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: ESG Multi-Asset Fund**
**Legal entity identifier: 54930062W9V3JFFCZF32**

## Environmental and/or social characteristics

***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.*

**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 20% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 20% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

The Fund seeks to address key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

Greenhouse gas emissions are categorised into three groups or "scopes" by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting issuer. Scope 3

includes all other indirect emissions that occur in an issuer's value chain. The Fund seeks to have a lower greenhouse gas emissions intensity of the portfolio relative to the Index (as defined below), which is the estimated greenhouse gas (Scope 1 and Scope 2) emissions per $1 million of sales revenue across the Fund's holdings. For the avoidance of doubt, Scope 3 is not currently considered for this calculation.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. The Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

This Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund promotes limiting global temperature rises within the targets set in the Paris Agreement by excluding investment in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO2 e/kWh.

The Fund also promotes social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti-corruption by excluding investment in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to apply these exclusions, we rely on a third-party data provider (MSCI).

The Fund may invest in 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. Such investments in GSS bonds 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 (as described in (c) above) 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.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of collective investment schemes) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Fund's ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Fund and so provides exposure to securities which are inconsistent with the Fund's ESG criteria.

The Fund applies a set of exclusionary screens.

The Investment Adviser also intends to limit direct investment in securities of issuers that derive 5% or more of their revenue from the production of alcohol related products; the ownership or operation of gambling-related business activities; the production of adult entertainment material, or that generate 5% or more of total electricity from nuclear power in a given year, or have 5% or more of installed capacity attributed to nuclear sources in a given fiscal year. The Investment Adviser further intends to limit direct investment in securities of issuers that derive 15% or more

of aggregate revenue from (i) the production, distribution retail, and supply of alcohol-related products; (ii) from the production, distribution and retail of adult entertainment materials, (iii) from gambling-related business activities; (iv) from nuclear power activities. The Investment Adviser will exclude any issuer with a MSCI ESG rating below BBB. The Investment Adviser also intends to limit investments in companies within the Global Industry Classification Standard (GICS) Oil & Gas Exploration & Production sector and companies within the Global Industry Classification Standard (GICS) Integrated Oil & Gas sector to below 5% of its total assets.

The Fund applies exclusionary screens in accordance with the French SRI label requirements (as described in the section headed "The French SRI label" of this Prospectus).

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, 25% MSCI World Index (hedged to EUR), 25% MSCI World Index and 50% Bloomberg Global Aggregate Bond Index (hedged to EUR) (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's, environmental, social and governance ("ESG") rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
  - The Fund's carbon emissions intensity, as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.

- ***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 invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

  b) the issuer's business practices contribute to an Environmental and/or Social Objective; or

  c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or

  d) the fixed income securities are aligned with an Environmental and/or Social Objective

- ***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?***

  Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

  Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

    The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

  - *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

    Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

    *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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its carbon reduction target.

The Fund takes into account the following PAIs:
- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Share of non-renewable energy consumption and production
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

The Fund achieves a better result than the Index for the following two PAIs:

GHG intensity of investee companies

Exposure to companies active in the fossil fuel sector

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests globally in the full spectrum of permitted investments including equities, fixed income transferable securities (which may include some high yield fixed income transferable securities), units of CIS, cash, deposits and money market instruments. The Fund follows an asset allocation policy that seeks to maximise total return in a manner consistent with the principles of ESG focused investing. The Investment Adviser seeks to invest in Sustainable Investments.

The Investment Adviser applies exclusionary screens to the portfolio. These encompass the BlackRock EMEA Baseline Screens in addition to limits on direct investment in securities of issuers involved in the production, distribution or licensing of alcoholic products; the ownership or operation of gambling-related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials.

This Fund applies the EU Paris-aligned Benchmark Exclusions.

The Investment Adviser also intends to limit investments in companies within the Global Industry Classification Standard (GICS) Oil & Gas Exploration & Production sector and companies within the Global Industry Classification Standard (GICS) Integrated Oil & Gas sector to below 5% of its total assets.

More than 90% of the issuers of securities in which the Fund invests are ESG rated or have been analysed for ESG purposes

The weighted average ESG rating of the Fund will be higher than the ESG rating of the risk Index after eliminating at least 25% of the least well-rated securities from the Index. The Investment Adviser also intends the Fund to have a carbon emissions intensity score that is lower than the Index.

***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 as follows:

- Maintain that the Fund holds at least 20% in Sustainable Investments.
- Application of the BlackRock EMEA Baseline Screens and exclusionary screens described above.
- Maintain that the weighted average ESG rating of the Fund will be higher than the ESG rating of the Index after eliminating at least 25% of the lowest rated securities from the Index.
- Maintain that the Fund's carbon emissions intensity score is lower than that of the Index.
- Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.
- Limit investments in companies within the Global Industry Classification Standard (GICS) Oil & Gas Exploration & Production sector and companies within the Global Industry Classification Standard (GICS) Integrated Oil & Gas sector to below 5% of its total assets.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.



**What is the asset allocation planned for this financial product?**

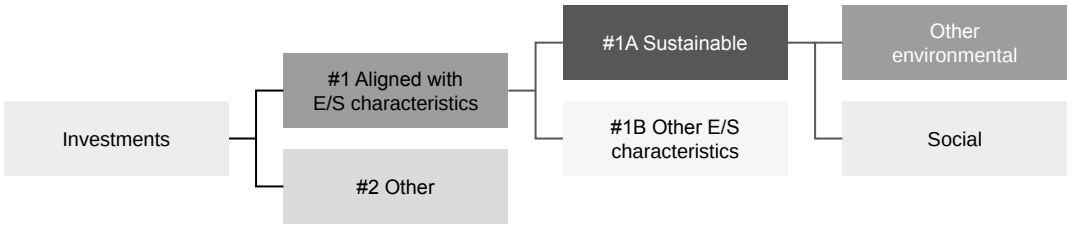
**Asset allocation** describes the share of investments in specific assets.

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

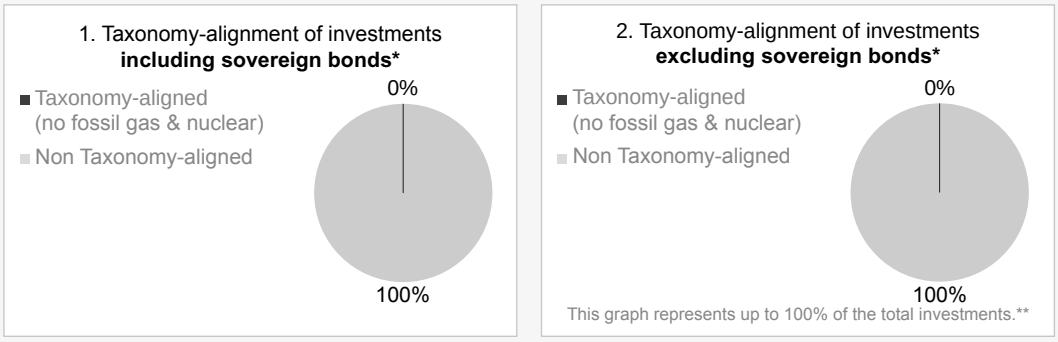
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the 25% MSCI World Index (hedged to EUR), 25% MSCI World Index and 50% Bloomberg Global Aggregate Bond Index (hedged to EUR) is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf.

**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: Euro Bond Fund**
**Legal entity identifier: 549300KZI1OJWARMMP28**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity 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 Fund seeks to address key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers

involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Euro-Aggregate Index (80%) and Bloomberg Global Aggregate Index (20%) (the "ESG Reporting Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
  2. The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
  3. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.
  4. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

    Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

  - —— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

    Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its exclusionary policy.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index.

- ***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 as follows:

  1. Enhancing exposure to investments that are deemed to have associated positive externalities, compared to the Fund's ESG Reporting Index while limiting investments that are deemed to have associated negative externalities.
  2. Maintain weighted average ESG rating of the corporate portion of the Fund higher than the ESG rating of the corporate portion of the ESG Reporting Index.
  3. Application of the BlackRock EMEA Baseline Screens and exclusionary screens described above.
  4. Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.

- ***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 commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

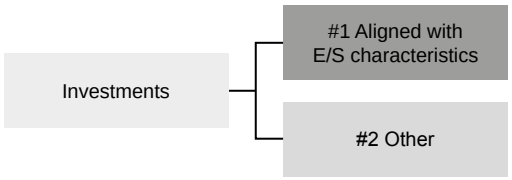
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

- ***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

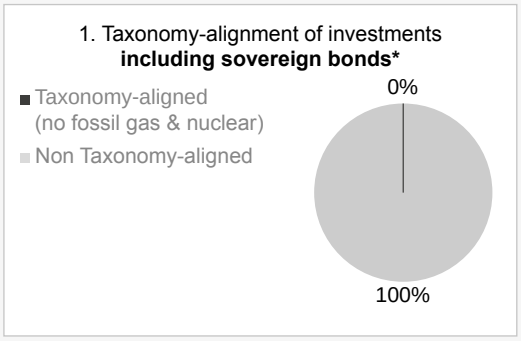
☐ Yes

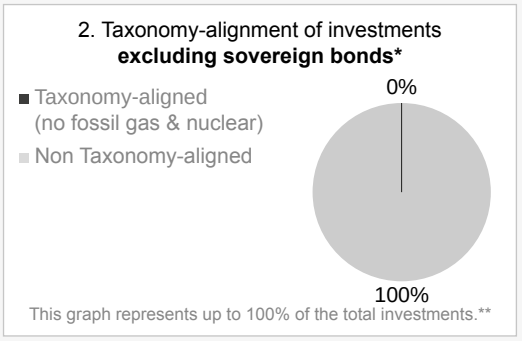
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the Bloomberg Euro-Aggregate Index (80%) and Bloomberg Global Aggregate Index (20%) are used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Euro Corporate Bond Fund**
**Legal entity identifier: 549300T3ILGNB1VTBN33**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity 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.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. The Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Euro Corporate Index (80%) and Bloomberg US Corporate Index (20%) (the "ESG Reporting Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by the Fund include:

  1. The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
  2. The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
  3. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.
  4. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

- *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its exclusionary policy.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

- ***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 as follows:

  - Enhancing exposure to investments that are deemed to have associated positive externalities, compared to the Fund's ESG Reporting Index while limiting investments that are deemed to have associated negative externalities.
  - Application of the BlackRock EMEA Baseline Screens and exclusionary screens described above.

- ***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 commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

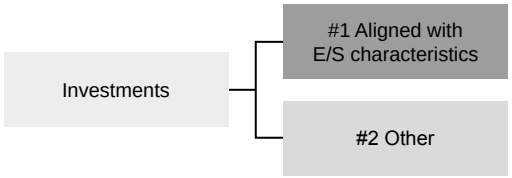
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

**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.




**#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.

- ***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

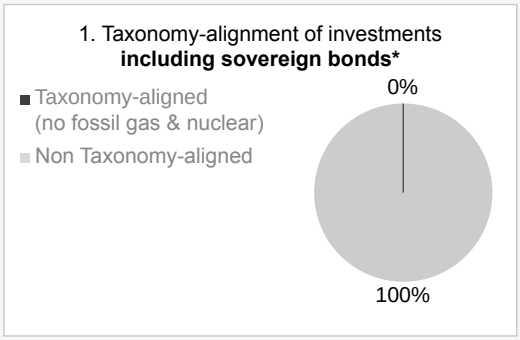
☐ Yes

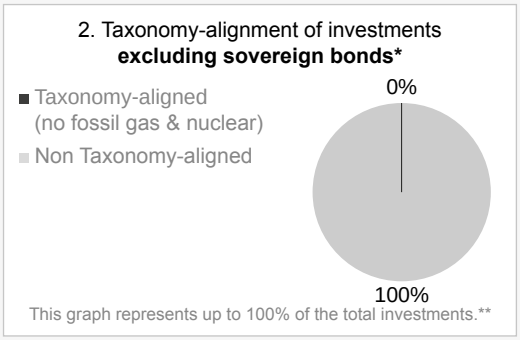
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the Bloomberg Euro Corporate Index (80%) and Bloomberg US Corporate Index (20%) are used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.




**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

**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: Euro Short Duration Bond Fund**
**Legal entity identifier: 549300JYR6VTF0DCD019**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity 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 Fund seeks to address key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers

involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Euro-Aggregate Index (1-3 Years) (80%) and Bloomberg Global Aggregate Index (1-3 Years) (20%) (the "ESG Reporting Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
  2. The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
  3. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.
  4. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

    Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

  - —— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

    Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its exclusionary policy.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance ("ESG") investing.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) compared to the ESG Reporting Index and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

At least 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers that do not meet the ESG criteria described above.

The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index.

- ***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 as follows:

  1. Enhancing exposure to investments that are deemed to have associated positive externalities, compared to the Fund's ESG Reporting Index while limiting investments that are deemed to have associated negative externalities.
  2. Maintain weighted average ESG rating of the corporate portion of the Fund higher than the ESG rating of the corporate portion of the ESG Reporting Index.
  3. Application of the BlackRock EMEA Baseline Screens and exclusionary screens described above.
  4. Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.

- ***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 commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

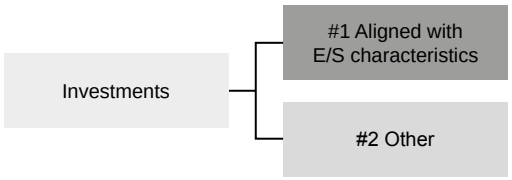
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

- ***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

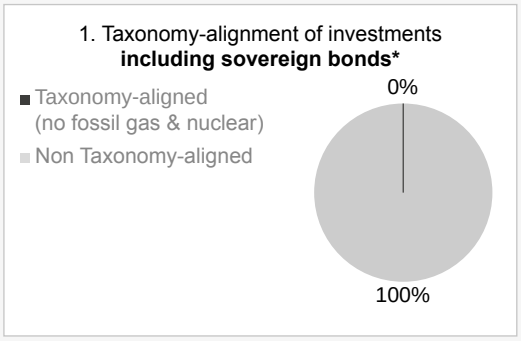
☐ Yes

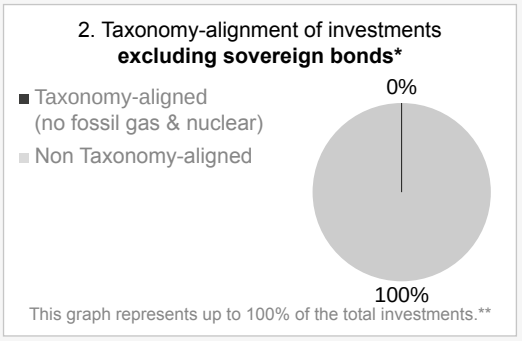
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the Bloomberg Euro-Aggregate Index (1-3 Years) (80%) and Bloomberg Global Aggregate Index (1-3 Years) (20%) are used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Euro-Markets Fund**
**Legal entity identifier: 549300GXUXRC34JGKL97**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in those EU Member States participating in EMU. Other exposure may include, without limitation, investments in those EU Member States that, in the opinion of the Investment Adviser, are likely to join EMU in the foreseeable future and companies based elsewhere that exercise the predominant part of their economic activity in EMU-participating countries. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

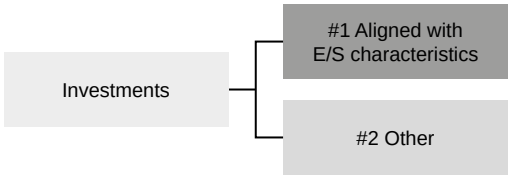
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

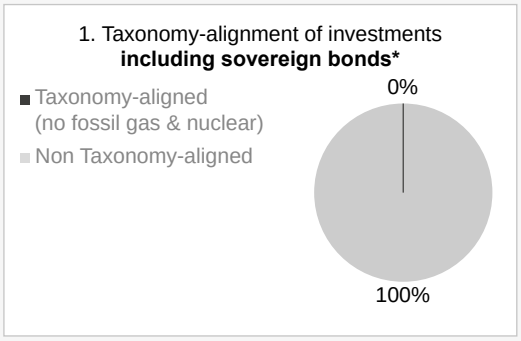
☐ Yes

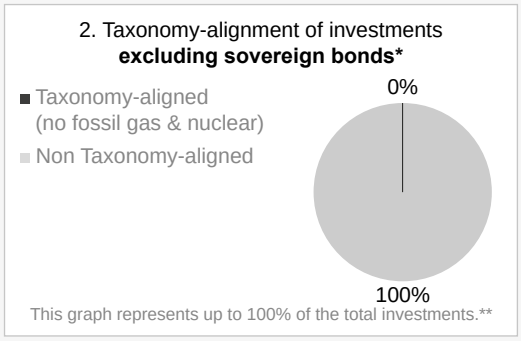
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: European Blend Equity Fund**
**Legal entity identifier: 549300HWH5C0EBD7MS76**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.


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2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activities in, Europe. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

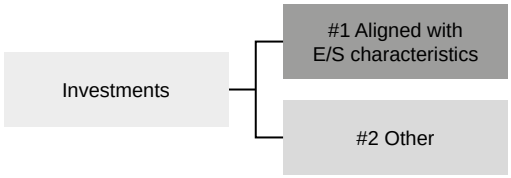
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

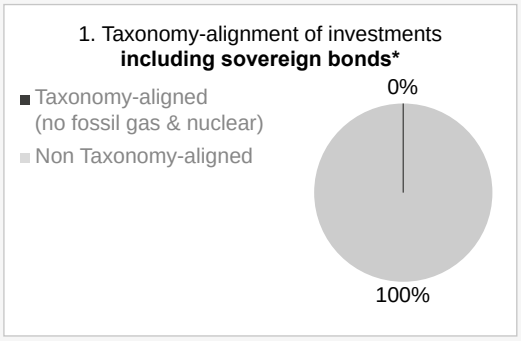
☐ Yes

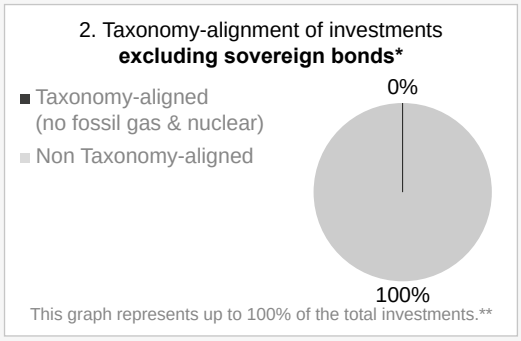
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: European Equity Income Fund**
**Legal entity identifier: 549300EO4UBXXE7L7Y87**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.


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2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in equity securities of companies domiciled in, or exercising the predominant part of their economic activity in Europe. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

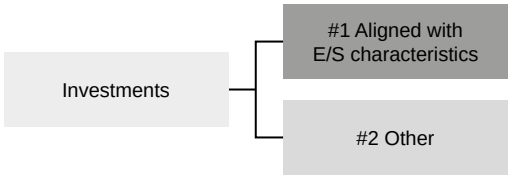
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

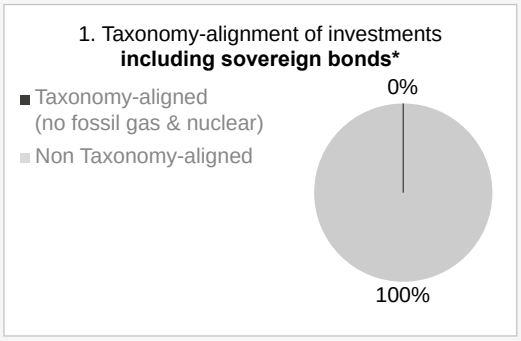
☐ Yes

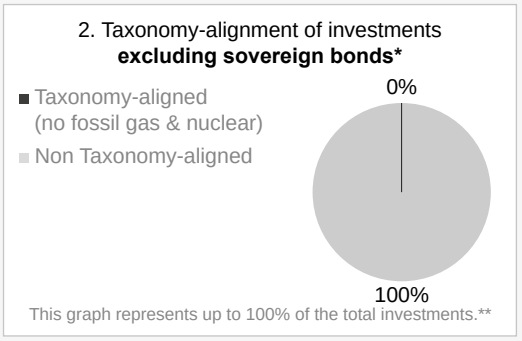
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: European Fund**
**Legal entity identifier: 549300NNK67YCMW4S660**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

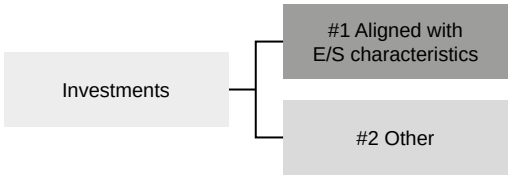
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

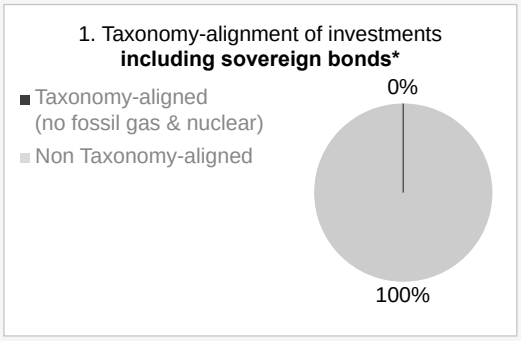
☐ Yes

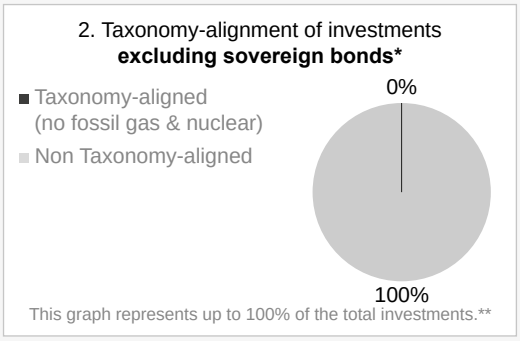
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: European High Yield Bond Fund**
**Legal entity identifier: 549300IZEHZ1BN5OFU72**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in high yield fixed income transferable securities, denominated in various currencies, issued by governments and agencies of, and companies domiciled in, or exercising the predominant part of their economic activity in Europe. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

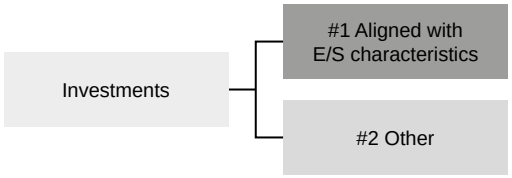
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

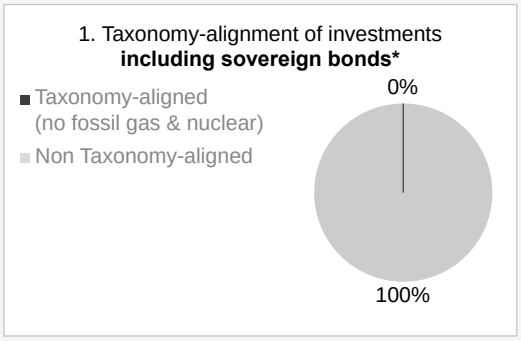
☐ Yes

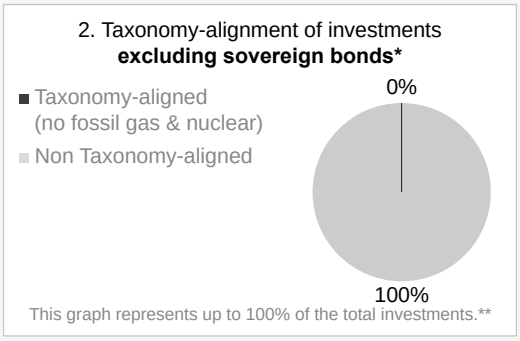
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: European Value Fund**
**Legal entity identifier: 549300VTJEFQIEUK4533**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

**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 Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe. The Fund places particular emphasis on companies that are, in the opinion of the Investment Adviser, undervalued and therefore represent intrinsic investment value.

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

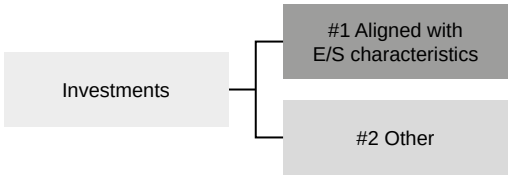
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

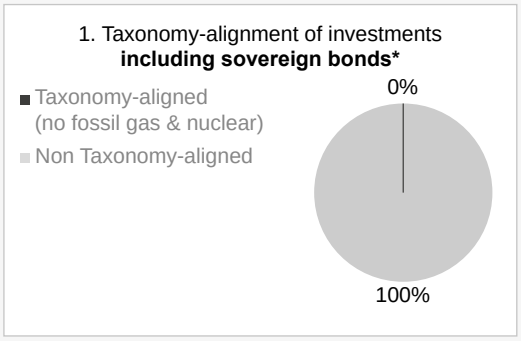
☐ Yes

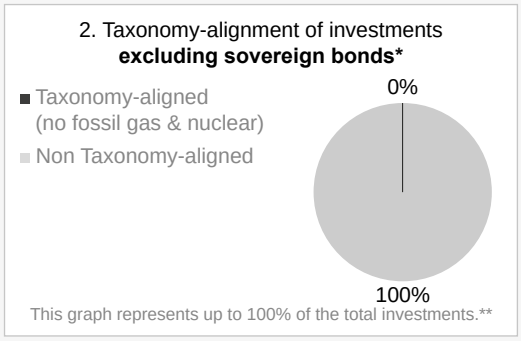
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: FinTech Fund**
**Legal entity identifier: 549300QETL4YMSWPEO04**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of technologies used and applied in financial services. The Fund will focus on companies that generate revenues from the application of technology in the financial services industry sector and/or which aim to compete with traditional methods in the operation and distribution of financial products and services. In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation that are involved in activities including the following: payment systems, banking, investments, lending, insurance and software. Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

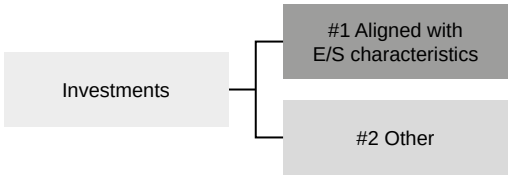
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

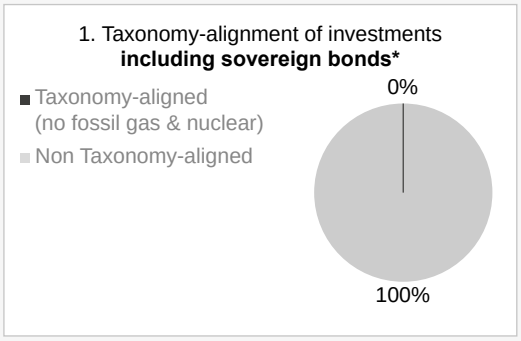
☐ Yes

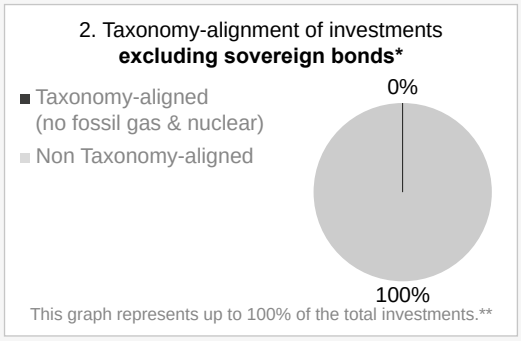
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name: Future Of Transport Fund**
**Legal entity identifier: 549300Y7OU6TK8YJHB08**

## Sustainable investment objective

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ✔ **Yes** | ●○ ☐ **No** |
|---|---|
| ✔ It will make a minimum of **sustainable investments with an environmental objective: 15%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ 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 ___% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>☐ with a social objective |
| ✔ It will make a minimum of **sustainable investments with a social objective: 1%** | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |



**What is the sustainable investment objective of this financial product?**

The Fund seeks to maximise total return by investing at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of technologies used and applied to transport.

The Fund will focus on companies that generate revenues from the transition to a lower carbon transportation system such as electric, autonomous and/or digitally connected vehicles.

The Fund invests a minimum of 80% of its total assets in Sustainable Investments, across environmental and social objectives. The minimum for each Sustainable Investment objective is set out in the box above. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

An investment will be assessed as contributing to an Environmental and/or Social Objective where:

a) a minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

b) the issuer's business practices contribute to an Environmental and/or Social Objective.

The Fund considers key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and

management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

This Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund promotes limiting global temperature rises within the targets set in the Paris Agreement by excluding investment in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO2 e/kWh.

The Fund also promotes social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti-corruption by excluding investment in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to apply these exclusions, we rely on a third-party data provider (MSCI).

The Fund may invest in 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. Such investments in GSS bonds 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 (as described in (c) above) 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.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of collective investment schemes) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Fund's ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Fund and so provides exposure to securities which are inconsistent with the Fund's ESG criteria.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, MSCI AII Countries World Index (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

- The Fund's holdings in Sustainable Investments, as described above.
- The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
- The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
- The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the exclusionary screens, as described above.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments. Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.



**Does this financial product consider principal adverse impacts on sustainability factors?**

✔ Yes

☐ No

This Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund seeks to maximise total return by investing at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of technologies used and applied to transport.

The Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund will focus on companies that generate revenues from the transition to a lower carbon transportation system such as electric, autonomous and/or digitally connected vehicles.

In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation that are involved in activities including the following: raw materials (e.g. metals and battery materials), components and computer systems (e.g. batteries and cabling), technology (e.g. vehicle sensor technology) and infrastructure (e.g. vehicle battery charging stations). The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with renewable energy and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials. The Investment Adviser considers such companies to be Sustainable Investments.

The assessment of the level of engagement in each activity 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 Fund adopts a “best in class” approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Investment Adviser uses its analysis to create a portfolio that has a higher ESG rating than the Index after eliminating at least 20% of the least well-rated securities from the Index.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  The binding elements of the investment strategy are as follows:

  - Maintain that all of the Fund’s investments will be Sustainable Investments (save for instruments used for the purposes of liquidity management and/or hedging, which will not exceed 20% of the Fund’s total assets). In relation to such Sustainable Investments, at least 15% of the Fund’s total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund’s total assets will be invested in Sustainable Investments with a social objective.
  - Maintain that the weighted average ESG rating of the Fund will be higher than the ESG rating of the Index after eliminating at least 20% of the lowest rated securities from the Index.
  - Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.
  - Application of the exclusionary screens described above.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock’s assessment of good governance are excluded from the investment universe.

**What is the asset allocation and the minimum share of sustainable investments?**

All of the Fund's investments will be Sustainable Investments or instruments used for the purposes of liquidity management and/or hedging. Investments used for the purposes of liquidity management and/or hedging will not exceed 20% of the Fund's total assets.

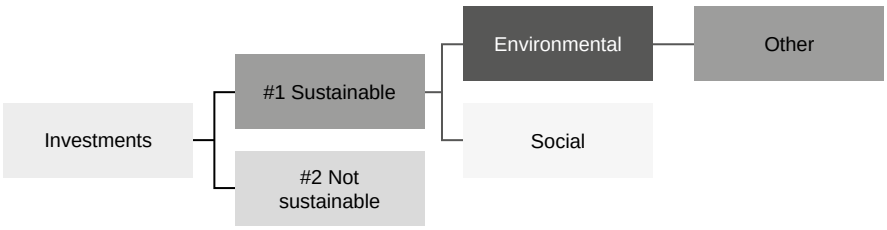
A minimum of 80% of the Fund's total assets will be invested in Sustainable Investments (#1 Sustainable). In relation to these Sustainable Investments, at least 15% of the Fund's total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective. The remainder of the Fund's Sustainable Investments may fluctuate between these types of Sustainable Investment.

The Fund may invest up to 20% of its total assets in other investments (#2 Not sustainable).

**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.




**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

***How does the use of derivatives attain the sustainable investment objective?***

Where derivatives are used for investment purposes, they are assessed against the criteria for Sustainable Investments. Derivatives may also be used for limited other purposes such as liquidity and hedging, and any ESG rating or analyses referenced above will apply only to the underlying investment in respect of such derivatives.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund does not currently commit to invest more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

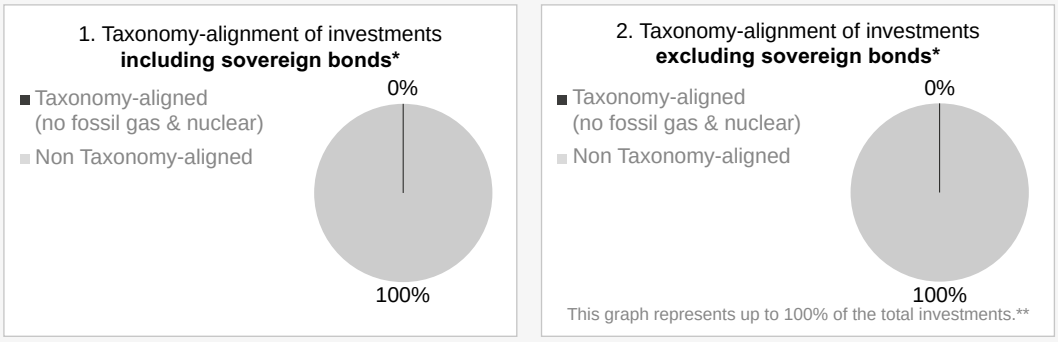
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**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 total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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 objectives - 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.

**What is the minimum share of sustainable investments with a social objective?**

A minimum of 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective.

**What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

The use of such investments does not affect the delivery of the sustainable investment objective, as these investments are used for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

Please note that the MSCI AII Countries World Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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: Global Equity Income Fund**
**Legal entity identifier: 5493003EIFVTQB3EDS83**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

3. The Fund's holdings of underlying MMFs meeting the above criteria.

- ***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 does not commit to invest in Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, developed markets.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

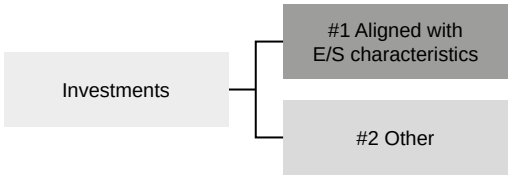
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 30% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

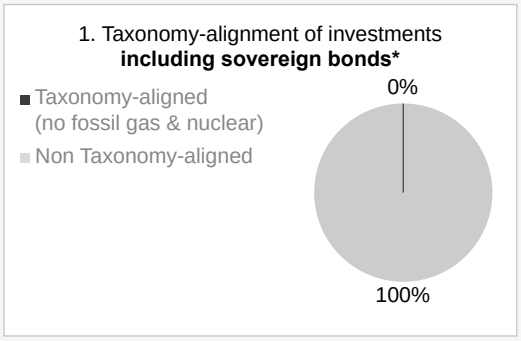
☐ Yes

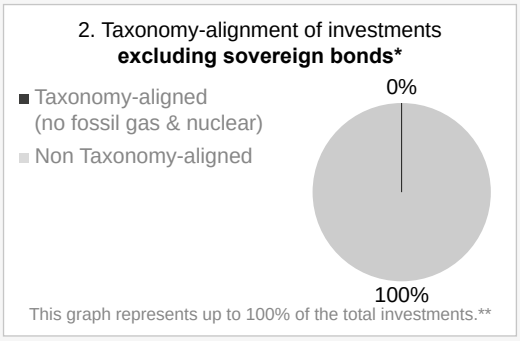
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Global Government Bond Fund**
**Legal entity identifier: 549300ZROVR8S4X5V054**

## Environmental and/or social characteristics

***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.*

**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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 10% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity 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 Fund applies the BlackRock EMEA Baseline Screens. This set of screens seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment

in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, FTSE World Government Bond USD Hedged Index (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's holdings in Sustainable Investments, as described above.
  2. The Fund's holdings in use-of-proceeds bonds, including "green bonds", "sustainable bonds" and "social bonds" (each as defined by BlackRock's corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively). The Fund's holdings of green, sustainable and social bonds may cause the Fund to gain exposure to issuers which, in turn, have exposures that are inconsistent with the exclusions described above.
  3. The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities, as described above.
  4. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  5. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.

- ***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?***

  This Fund invests at least 10% of its holdings in Sustainable Investments. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

  b) the issuer's business practices contribute to an Environmental and/or Social Objective; or

  c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or

  d) the fixed income securities are aligned with an Environmental and/or Social Objective.

- ***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?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments. Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights . Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens, its exclusionary policy and its holdings in green bonds.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund seeks to invest in Sustainable Investments, including, but not limited to, "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond principles) and "Green, Social and Sustainability" (GSS) bonds issued by governments and agencies of, and companies, where the proceeds of such GSS bonds are tied to green and socially responsible projects.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials).

The assessment of the level of involvement in each activity 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 remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

- ***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 as follows:

  1. Maintain that the Fund holds at least 10% in Sustainable Investments.
  2. Enhancing exposure to investments that are deemed to have associated positive externalities while limiting investments that are deemed to have associated negative externalities, compared to the Fund's investment universe.
  3. Apply the BlackRock EMEA Baseline Screens and exclusionary screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock aassesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

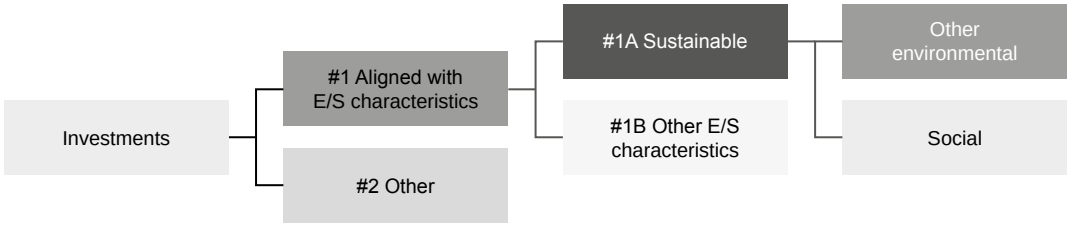
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 10% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

The Fund may invest up to 30% of its total assets in other investments (#2 Other investments).

**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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

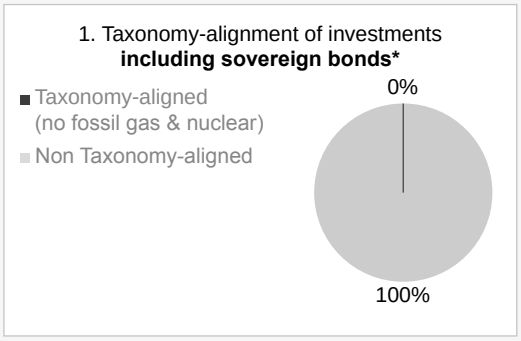
☐ Yes

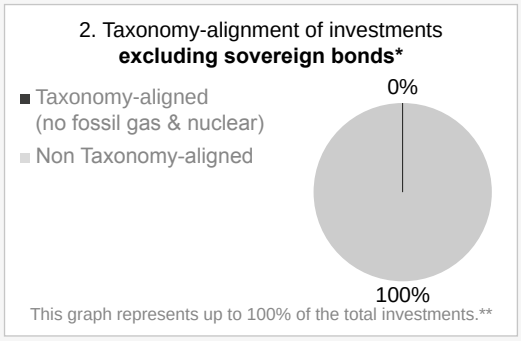
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**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 total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 10% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the FTSE World Government Bond USD Hedged Index is to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Global High Yield Bond Fund**
**Legal entity identifier: 549300FVQG82AXR0U687**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**What investment strategy does this financial product follow?**

The Fund invests globally at least 70% of its total assets in high yield fixed income transferable securities. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

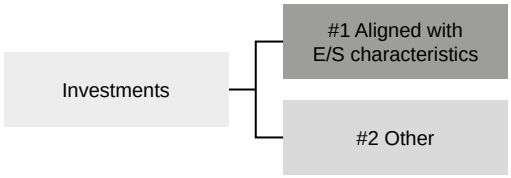
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

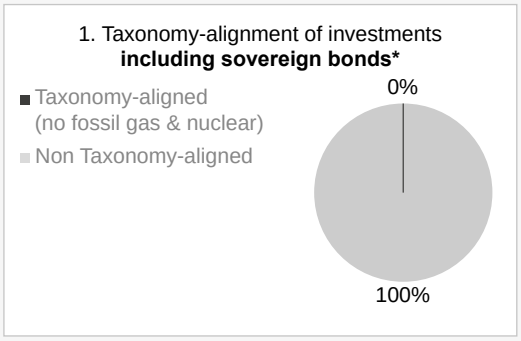
☐ Yes

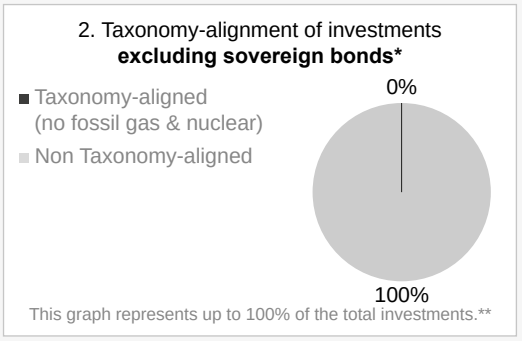
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Global Long-Horizon Equity Fund**
**Legal entity identifier: 549300UI1W5KUOTB6B84**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests globally, with no prescribed country, regional or capitalisation limits, at least 70% of its total assets in equity securities. The Fund may invest in equity securities that, in the opinion of the Investment Adviser, have a sustained competitive advantage and will typically be held over a long-term horizon. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

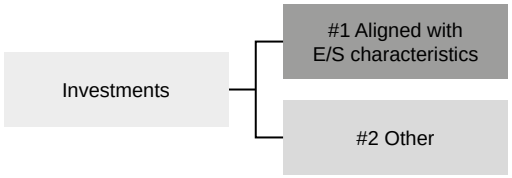
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

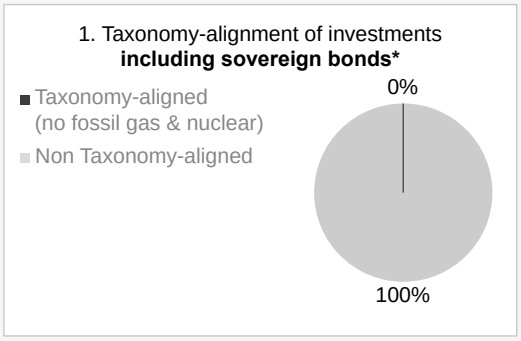
☐ Yes

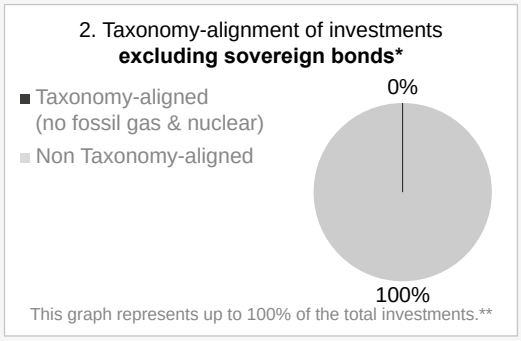
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Global Unconstrained Equity Fund**
**Legal entity identifier: 529900C4B6X8NH3O3X24**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology, as described above.

2. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 80% of its total assets in equity securities and equity-related securities (namely American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs)) of companies domiciled in, or exercising a significant part of their economic activity in, global developed markets. ADRs and GDRs are investments issued by financial institutions which give exposure to underlying equity securities. These instruments will be listed or traded on regulated markets. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance. The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements. The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Application of the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

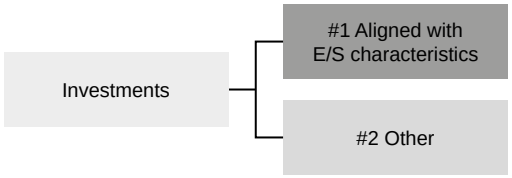
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ("#2 Other").

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

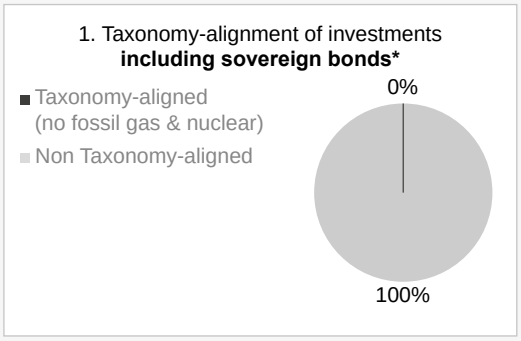
☐ Yes

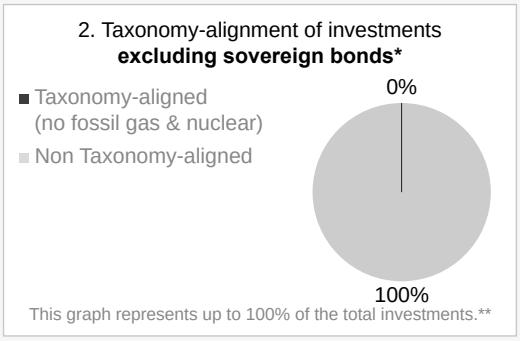
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com

Further information on the criteria for BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Japan Flexible Equity Fund**
**Legal entity identifier: 549300UJ9NZRIU24W956**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, MSCI Developed Japan (the “Index”) is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:


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1. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

2. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in or exercising the predominant part of their economic activity in, Japan. The Fund normally invests in securities that, in the opinion of the Investment Adviser, exhibit either growth or value investment characteristics, placing an emphasis as the market outlook warrants. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

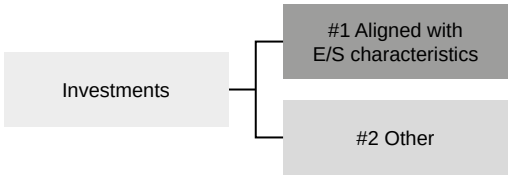
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

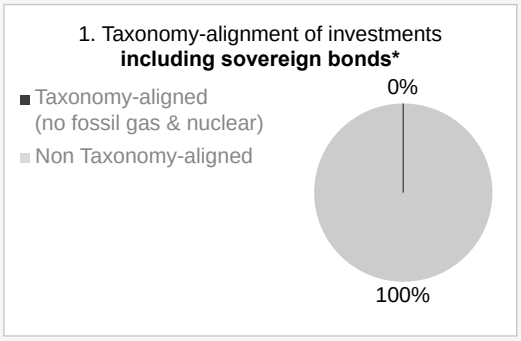
☐ Yes

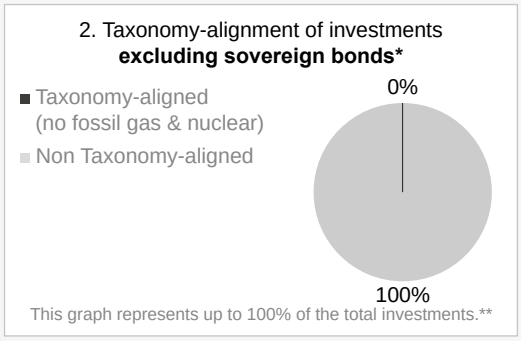
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the MSCI Developed Japan is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Japan Small & MidCap Opportunities Fund**
**Legal entity identifier: 549300HZ21BD9CBK5N76**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, S&P Japan Small & MidCap Index (the “Index”) is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

1. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

2. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of small and mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in, Japan. Small and mid capitalisation companies are considered companies which, at the time of purchase, form the bottom 30% by market capitalisation of Japanese stock markets. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

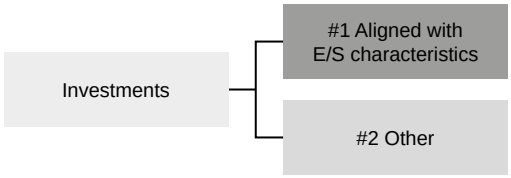
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

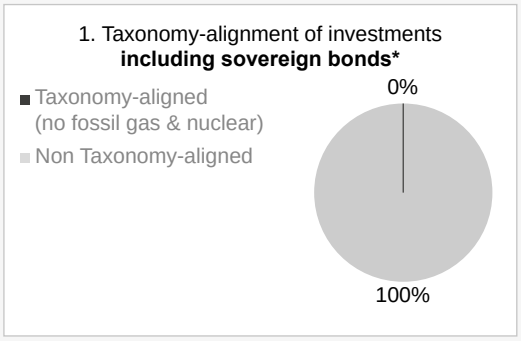
☐ Yes

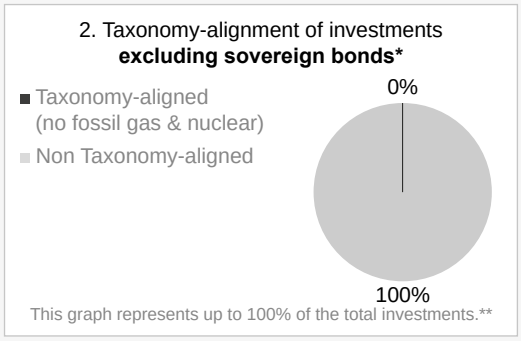
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the S&P Japan Small & MidCap Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Next Generation Technology Fund**
**Legal entity identifier: 549300WSSL4Z83Z2VF84**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.


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2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies globally whose predominant economic activity comprises the research, development, production and/or distribution of new and emerging technology. The Fund will focus on next generation technology themes including artificial intelligence, computing, automation, robotics, technological analytics, e-commerce, payment systems, communications technology and generative design. In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation. Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

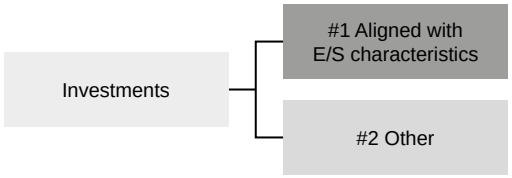
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

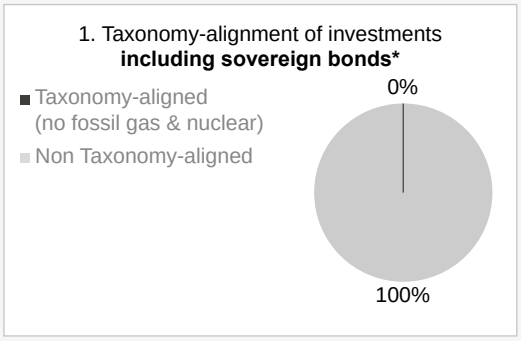
☐ Yes

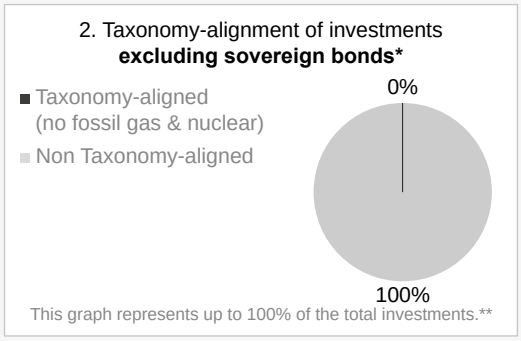
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name: Sustainable Energy Fund**
**Legal entity identifier: 5493009Z1H3ONBJRQQ80**

## Sustainable investment objective

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ✔ **Yes** | ●○ ☐ **No** |
|---|---|
| ✔ It will make a minimum of **sustainable investments with an environmental objective: 15%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ☐ 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 ___% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>☐ with a social objective |
| ✔ It will make a minimum of **sustainable investments with a social objective: 1%** | ☐ It promotes E/S characteristics, but **will not make any sustainable investments** |



**What is the sustainable investment objective of this financial product?**

The Fund invests globally at least 70% of its total assets in the equity securities of sustainable energy companies. Sustainable energy companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure.

The Fund invests a minimum of 80% of its total assets in Sustainable Investments, across environmental and social objectives. The minimum for each Sustainable Investment objective is set out in the box above. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives"). An investment will be assessed as contributing to an Environmental and/or Social Objective where:

a) a minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

b) the issuer's business practices contribute to an Environmental and/or Social Objective.

The Fund considers key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

The Fund will not invest in companies that are classified in the following sectors (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; integrated oil and gas.

This Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund promotes limiting global temperature rises within the targets set in the Paris Agreement by excluding investment in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO2 e/kWh.

The Fund also promotes social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti-corruption by excluding investment in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to apply these exclusions, we rely on a third-party data provider (MSCI).

The Fund may invest in 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. Such investments in GSS bonds 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 (as described in (c) above) 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.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of collective investment schemes) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Fund's ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Fund and so provides exposure to securities which are inconsistent with the Fund's ESG criteria.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, MSCI AII Countries World Index (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

- The Fund's holdings in Sustainable Investments, as described above.
- The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
- The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the exclusionary screens, as described above.

***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments. Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

*How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.



**Does this financial product consider principal adverse impacts on sustainability factors?**

✔ Yes

☐ No

This Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund invests globally at least 70% of its total assets in the equity securities of sustainable energy companies. Sustainable energy companies are those which are engaged in alternative energy and energy technologies including: renewable energy technology; renewable energy developers; alternative fuels; energy efficiency; enabling energy and infrastructure. The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with alternative energy and energy technologies and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financials.

The Fund will not invest in companies that are classified in the following sectors (as defined by Global Industry Classification Standard): coal and consumables; oil and gas exploration and production; and integrated oil and gas. The assessment of the level of engagement in each activity or sector 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 Fund applies the EU Paris-aligned Benchmark Exclusions.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without

excluding any sector of activities). More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Investment Adviser uses its analysis to create a portfolio that has a higher ESG rating than the Index after eliminating at least 20% of the least well-rated securities from the Index.

- ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

  The binding elements of the strategy are as follows:

  - Maintain that all of the Fund's investments will be Sustainable Investments (save for instruments used for the purposes of liquidity management and/or hedging, which will not exceed 20% of the Fund's total assets). In relation to such Sustainable Investments, at least 15% of the Fund's total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective.
  - Apply the exclusionary screens.
  - Maintain that the weighted average ESG rating of the Fund will be higher than the ESG rating of the index after eliminating at least 20% of the lowest rated securities from the index.
  - Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation and the minimum share of sustainable investments?**

All of the Fund's investments will be Sustainable Investments or instruments used for the purposes of liquidity management and/or hedging. Investments used for the purposes of liquidity management and/or hedging will not exceed 20% of the Fund's total assets.

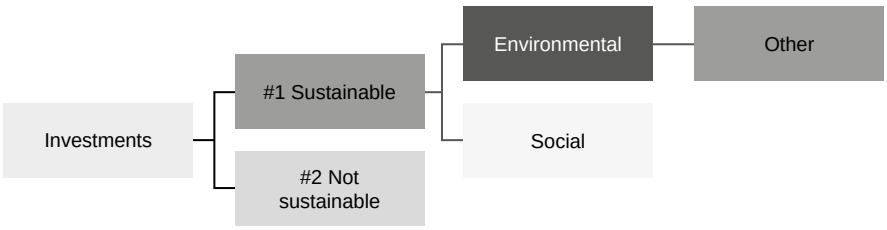
A minimum of 80% of the Fund's total assets will be invested in Sustainable Investments (#1 Sustainable). In relation to these Sustainable Investments, at least 15% of the Fund's total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy, and at least 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective. The remainder of the Fund's Sustainable Investments may fluctuate between these types of Sustainable Investment.

The Fund may invest up to 20% of its total assets in other investments (#2 Not sustainable).

**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.




**#1 Sustainable** covers sustainable investments with environmental or social objectives.

**#2 Not sustainable** includes investments which do not qualify as sustainable investments.

***How does the use of derivatives attain the sustainable investment objective?***

Where derivatives are used for investment purposes, they are assessed against the criteria for Sustainable Investments. Derivatives may also be used for limited other purposes such as liquidity and hedging, and any ESG rating or analyses referenced above will apply only to the underlying investment in respect of such derivatives.

**To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?**

The Fund does not currently commit to invest more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

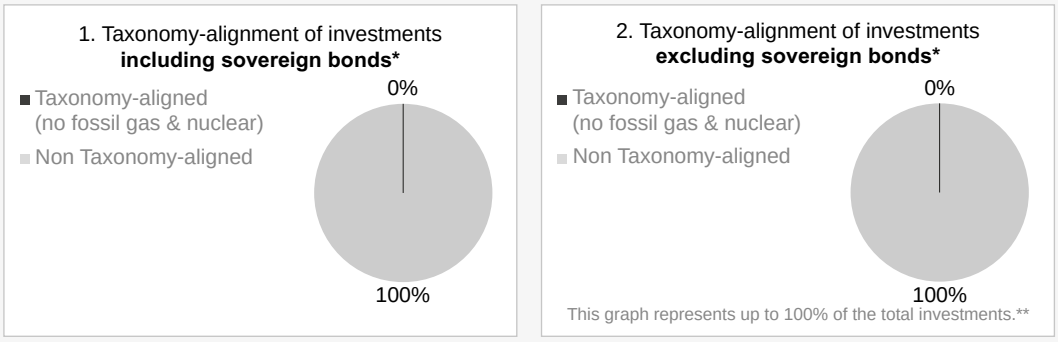
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**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 total assets will be invested in Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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 objectives - 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.

**What is the minimum share of sustainable investments with a social objective?**

A minimum of 1% of the Fund's total assets will be invested in Sustainable Investments with a social objective.

**What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

The use of such investments does not affect the delivery of the sustainable investment objective, as these investments are used for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**Is a specific index designated as a reference benchmark to meet the sustainable investment objective?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the sustainable investment objective.

Please note that the MSCI AII Countries World Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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: Swiss Small & MidCap Opportunities Fund**
**Legal entity identifier: 549300YOB1KZTW27BE02**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of small and mid capitalisation companies domiciled in, or exercising the predominant part of their economic activity in, Switzerland in a manner consistent with environmental, social and governance "ESG" investing.

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

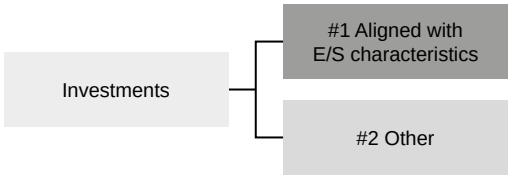
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

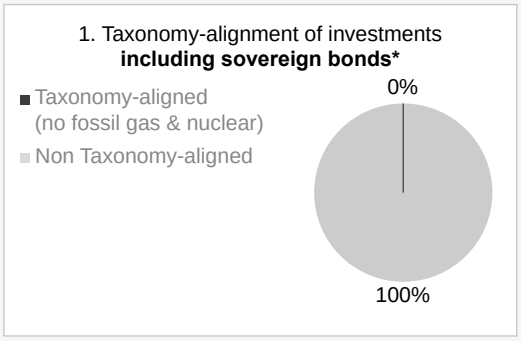
☐ Yes

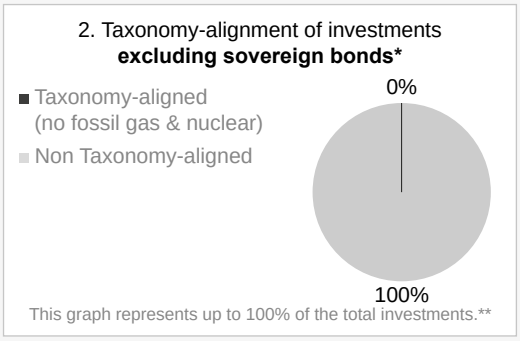
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Systematic China A-Share Opportunities Fund**
**Legal entity identifier: 549300HIK3R2NF85QQ13**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in a portfolio of equity securities of companies domiciled in, or exercising the predominant part of their activity in the People's Republic of China (PRC). The Fund is a RQFII Access Fund and a Stock Connect Fund and may invest without limit in the PRC via the RQFII regime and/or via the Stock Connects. For the purpose of the investment objective, the PRC excludes Hong Kong and Macau Special Administrative Regions and Taiwan and accordingly the Fund will invest only in onshore Chinese equity markets (A-Shares).

The Fund will apply the BlackRock EMEA Baseline Screens in order to create the universe of investible equities to which it applies its quantitative models.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

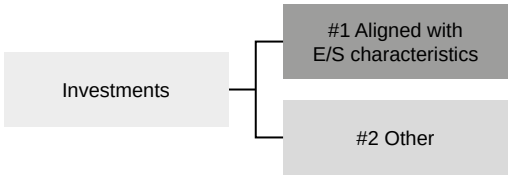
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 30% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

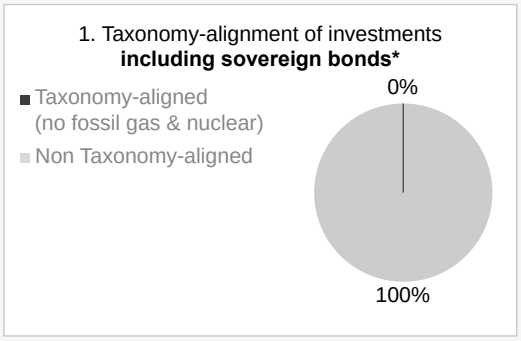
☐ Yes

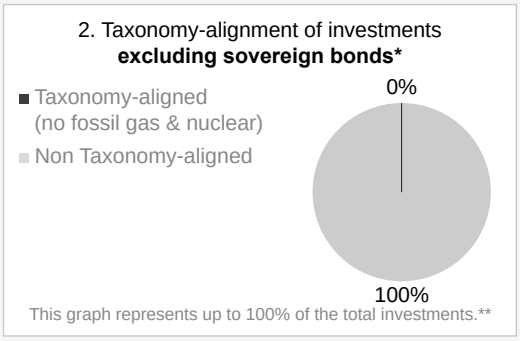
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: Systematic Global Income & Growth Fund**
**Legal entity identifier: 549300VKXVTNB9CQJ249**

## Environmental and/or social characteristics

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ☐ **Yes** | ●○ ✔ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective: ____%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ✔ 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 20% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>✔ 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 20% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

This Fund seeks to address key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise 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. The following environmental themes are captured in the environmental component of the ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

Greenhouse gas emissions are categorised into three groups or "scopes" by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting issuer. Scope 3

includes all other indirect emissions that occur in an issuer's value chain. The Fund seeks to have a lower greenhouse gas emissions intensity of the portfolio relative to the Index (as defined below), which is the estimated greenhouse gas (Scope 1 and Scope 2) emissions per $1 million of sales revenue across the Fund's holdings. For the avoidance of doubt, Scope 3 is not currently considered for this calculation.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, 33.3% MSCI World Minimum Volatility Index, 33.3% MSCI All Country World Index, 16.7% BBG Global Aggregate Corporate Index and 16.7% BBG Global High Yield Corp ex Emerging Markets Index Hedged in USD (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's holdings in use-of-proceeds bonds, including "green bonds", "sustainable bonds" and "social bonds" (each as defined by BlackRock's corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively). The Fund's holdings of green, sustainable and social bonds may cause the Fund to gain exposure to issuers which, in turn, have exposures that are inconsistent with the exclusions described above.
  - The Fund's, environmental, social and governance ("ESG") rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
  - The Fund's carbon emissions intensity, as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

b) the issuer's business practices contribute to an Environmental and/or Social Objective; or

c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or

d) the fixed income securities are aligned with an Environmental and/or Social Objective

- ***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?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its carbon reduction target.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies

- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund seeks to provide income and capital growth from its investments in a manner consistent with the principles of environmental, social and governance "ESG" focused investing. In order to achieve its investment objective the Fund will invest globally, directly and indirectly, in the full spectrum of permitted investments including on average, typically two thirds of its total assets in equities and up to one third of its total assets in fixed income transferable securities (also known as debt securities which may include the Fund investing up to 20% of its total assets in some high yield fixed income transferable securities), as well as investing in units of CIS, cash, deposits and money market instruments. The Fund will not be subject to prescribed country or regional limits and although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets. The Fund seeks to invest in Sustainable Investments and its total assets will be invested in accordance with the ESG Policy described below. The Fund is a Stock Connect Fund and may invest directly up to 20% of its total assets in the PRC by investing via the Stock Connects. The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. Risk management measure used: Commitment Approach First Addendum 192

The Fund will apply the BlackRock EMEA Baseline Screens. To evaluate a company at the time of purchase using the Fund's ESG methodology, multiple areas are focused on: environmental, social and governance outcomes, expected returns (including ESG return drivers), risk and transaction costs, as determined through proprietary research. In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic approach to stock selection. This means that stocks will be selected and weightings allocated based on their ESG attributes and on forecasts of return, risk and transaction costs. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Investment Adviser may also consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers depending on the particular ESG strategy applicable to the Fund.

The Fund may gain limited exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above. Please refer to the SFDR disclosures on page 47 for further details of the ESG commitments made by the Fund. The Fund is actively managed, and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser may take into consideration a composite benchmark comprising 33.3% MSCI World Minimum Volatility Index, 33.3% MSCI All Country World Index, 16.7% BBG Global Aggregate Corporate Index and 16.7% BBG Global High Yield Corp ex Emerging Markets Index Hedged in USD (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components and weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. The Fund's portfolio holdings are expected to deviate materially from the Index.

The Investment Adviser will create a portfolio that seeks to deliver a superior ESG outcome versus the Index and the weighted average ESG score of the Fund will be higher than the ESG score of the Index. The Investment Adviser also intends the Fund to maintain that the Fund's carbon emissions intensity score is 30% lower than the Index

- ***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 as follows:

  - Maintain that the Fund holds at least 20% in Sustainable Investments.
  - Application of the BlackRock EMEA Baseline Screens described above.
  - Maintain that the weighted average ESG score of the Fund will be higher than the ESG score of the Index.
  - Maintain the Fund's carbon emissions intensity score as 30% lower than that of the Fund's Index.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

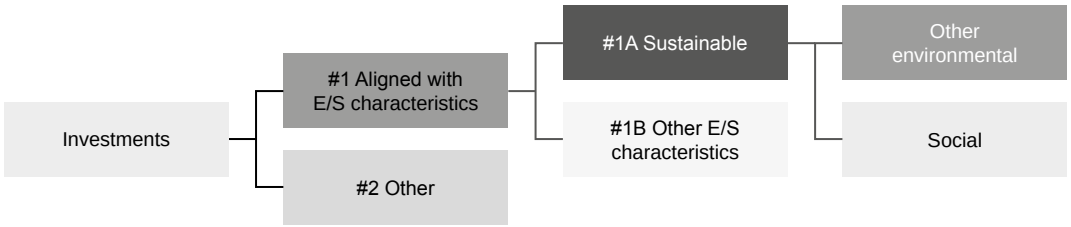
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

**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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

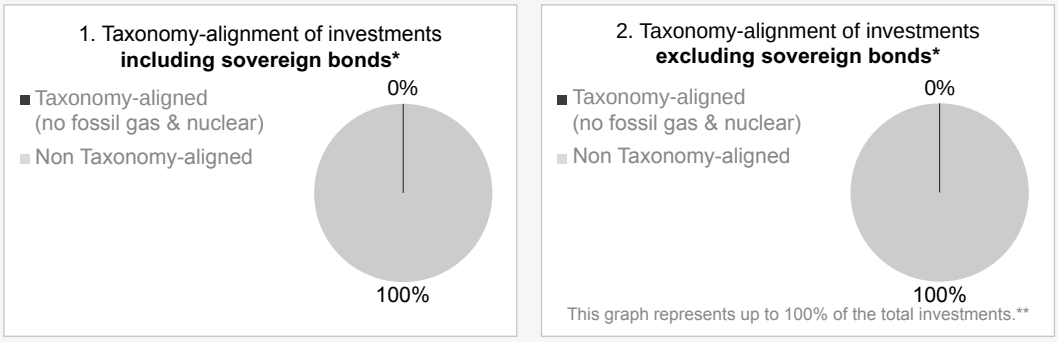
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the 33.3% MSCI World Minimum Volatility Index, 33.3% MSCI All Country World Index, 16.7% BBG Global Aggregate Corporate Index and 16.7% BBG Global High Yield Corp ex Emerging Markets Index Hedged in USD is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf.

**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: Systematic Global SmallCap Fund**
**Legal entity identifier: 549300HBMGWEEZN5BI34**

## Environmental and/or social characteristics

***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.*

**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 20% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 20% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

Greenhouse gas emissions are categorised into three groups or "scopes" by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting issuer. Scope 3 includes all other indirect emissions that occur in an issuer's value chain. The Fund seeks to have a lower greenhouse gas emissions intensity of the portfolio relative to the Index (as defined below), which is the estimated greenhouse gas (Scope 1 and Scope 2) emissions per $1 million of sales revenue across the Fund's holdings. For the avoidance of doubt, Scope 3 is not currently considered for this calculation.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production

and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, MSCI ACWI Small Cap Index (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's carbon emissions intensity, as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.
  - The Fund's holdings of underlying MMFs meeting the above criteria.

- ***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 invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

  b) the issuer's business practices contribute to an Environmental and/or Social Objective

- ***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?***

  Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

  Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its carbon reduction target.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 Fund aims to achieve long-term capital growth on your investment. The Fund seeks to gain at least 70% of its investment exposure to equity securities (e.g. shares) of companies domiciled in, listed in, or the main business of which is in, global developed markets.

In order to achieve its investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. In particular, the Fund will use quantitative (i.e. mathematical or statistical) models in order to achieve a systematic (i.e. rule based) approach to stock selection. This means that stocks will be selected based on their expected contribution to portfolio returns when risk and transaction cost forecasts are taken into account.

The Investment Manager will apply the BlackRock EMEA Baseline Screens to the Index in order to create the universe of investible equities to which it applies its quantitative models. As described more fully above, the quantitative models incorporate ESG data across the various characteristics used to score companies. The portfolio construction tool is also subject to investment constraints which optimise the portfolio so that the Fund has a lower carbon emissions intensity score than its Index.

- ***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 as follows:

  - Maintain that the Fund holds at least 20% in Sustainable Investments.
  - Maintain that the Fund's carbon emissions intensity score is lower than that of the Index.
  - Apply the BlackRock EMEA Baseline Screens and exclusionary screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

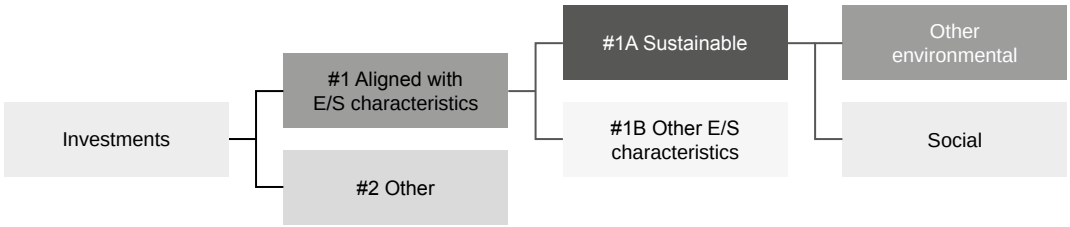
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').

**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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

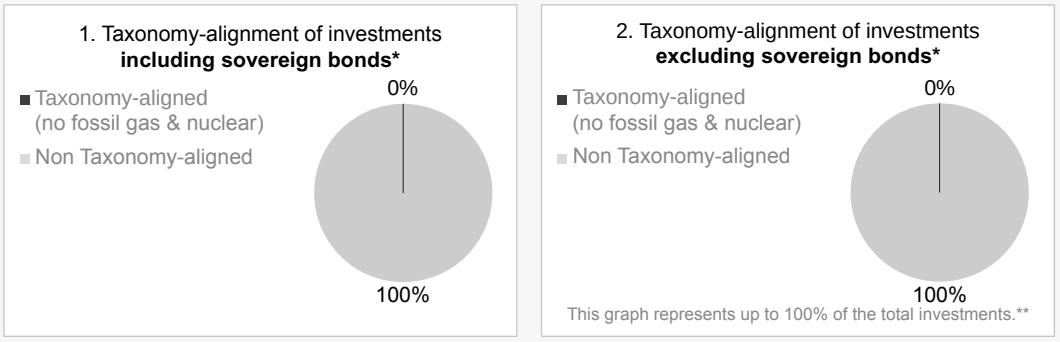
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the MSCI ACWI Small Cap Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf.

**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: United Kingdom Fund**
**Legal entity identifier: 549300CZ01EMON5C7Z93**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, FTSE All Share Index (the “Index”) is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

1. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

2. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies incorporated or listed in the UK. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

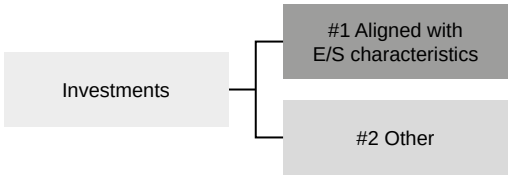
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

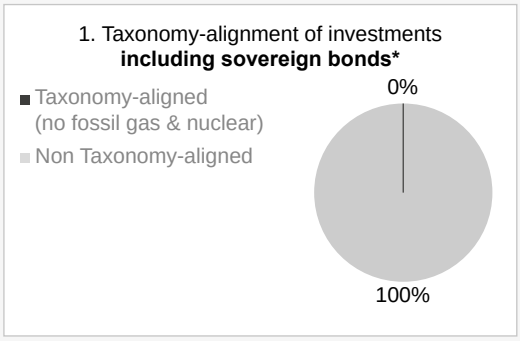
☐ Yes

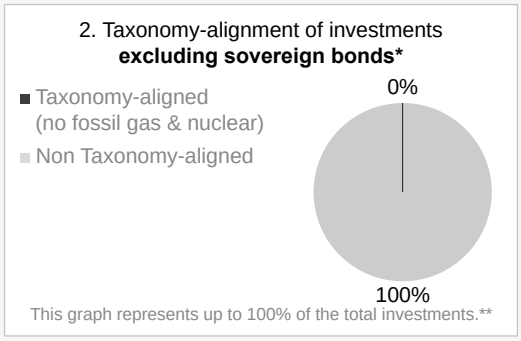
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the FTSE All Share Index is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: US Dollar High Yield Bond Fund**
**Legal entity identifier: 5493002GUOE4D10RFV09**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, “Does this financial product consider principal adverse impacts on sustainability factors?”, which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in high yield fixed income transferable securities denominated in US dollars. The Fund may invest in the full spectrum of available fixed income transferable securities, including non-investment grade. Currency exposure is flexibly managed.

The Fund will apply the BlackRock EMEA Baseline Screens.

Issuers are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG consistent business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Investment Adviser monitors issuers with lower ESG ratings and flagged controversies according to third party data providers. The Investment Adviser conducts enhanced analysis on such issuers through a 'watchlist' to identify relevant ESG related information that is not reflected in the third party data analysis and may determine an engagement agenda for discussion with those issuers in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser may use data provided by external ESG data providers, proprietary models and local intelligence and may undertake site visits.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

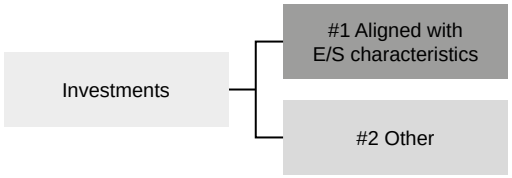
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

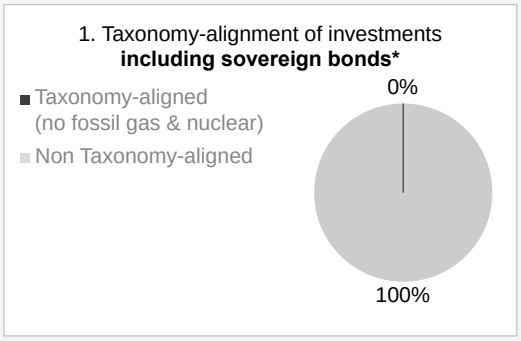
☐ Yes

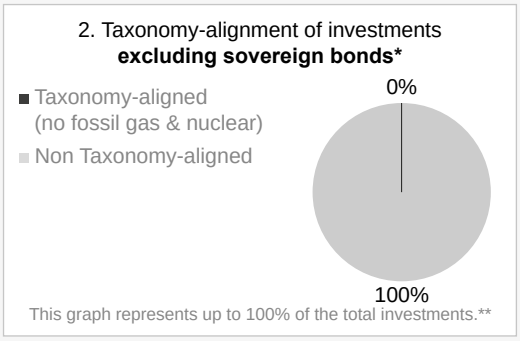
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: US Flexible Equity Fund**
**Legal entity identifier: 5493000VBLDY9YB8P237**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

3. The Fund's holdings of underlying MMFs meeting the above criteria

- ***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 does not commit to invest in Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the US. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

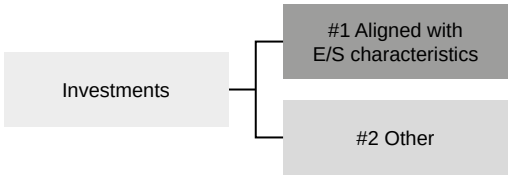
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

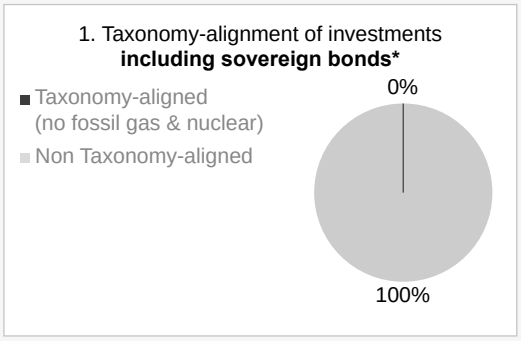
☐ Yes

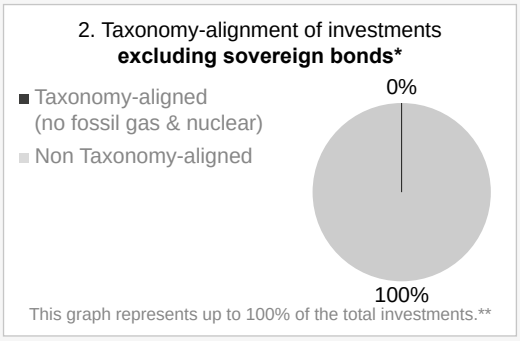
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: US Growth Fund**
**Legal entity identifier: 549300DS7VHS2WOPZD71**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption.

Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

- The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.
- The Fund's holdings of underlying MMFs meeting the above criteria.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, the US. Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  - Application of the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

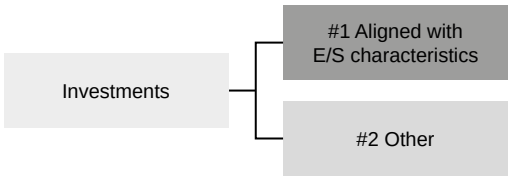
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments ("#2 Other").

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

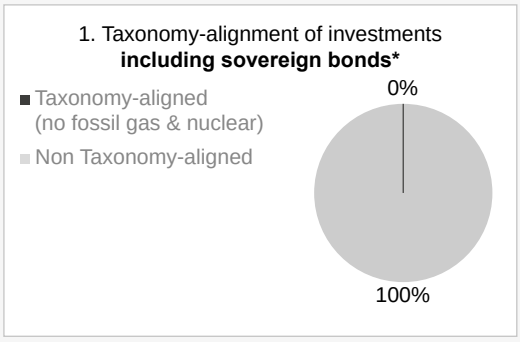
☐ Yes

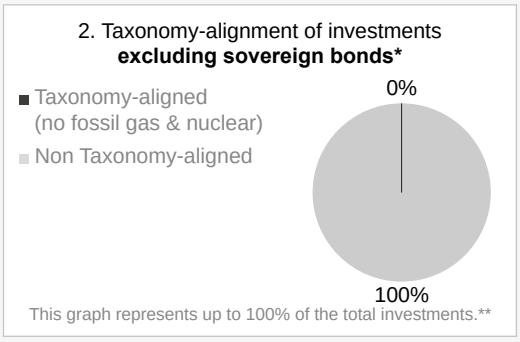
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

**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: World Bond Fund**
**Legal entity identifier: 549300GIUUQLJYFN4I12**

## Environmental and/or social characteristics

***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.*

**Does this financial product have a sustainable investment objective?**

| ●● ☐ **Yes** | ●○ ✔ **No** |
|---|---|
| ☐ It will make a minimum of **sustainable investments with an environmental objective: ____%**<br>☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy | ✔ 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 20% of sustainable investments<br>☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy<br>✔ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy<br>✔ 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund invests a minimum of 20% of its total assets in Sustainable Investments, across environmental and social objectives. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity 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 Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers

involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Barclays Global Aggregate Index (USD hedged) (the "Index") is used to compare certain ESG characteristics promoted by the Fund.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's holdings in Sustainable Investments, as described above.
  - The Fund's holdings in use-of-proceeds bonds, including "green bonds", "sustainable bonds" and "social bonds" (each as defined by BlackRock's corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively). The Fund's holdings of green, sustainable and social bonds may cause the Fund to gain exposure to issuers which, in turn, have exposures that are inconsistent with the exclusions described above.
  - The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

  BlackRock invests in Sustainable Investments which contribute to a range of environmental and / or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals ("Environmental and Social Objectives").

  An investment will be assessed as contributing to an Environmental and/or Social Objective where:

  a) minimum proportion of the issuer's business activity contributes to an Environmental and/or Social Objective; or

  b) the issuer's business practices contribute to an Environmental and/or Social Objective; or

  c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or

  d) the fixed income securities are aligned with an Environmental and/or Social Objective.

- ***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?***

Sustainable Investments meet the DNSH requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments. Further information on the above can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock's Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Sustainable Investments are assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers deemed to have violated these conventions are not considered as Sustainable Investments.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens, its exclusionary policy and its holdings in green bonds.

The Fund takes into account the following PAIs:
- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.



**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 objective of the fund is to maximize total return in a manner that is consistent with the principles of Environmental, Social and Governance (ESG) investing. The fund is actively managed, and the Investment Adviser will refer to the Bloomberg Barclays Global Aggregate USD hedged index when constructing the fund and analyzing risks for the fund.

The fund's investment process is consistent with ESG investing such that it will assess investments based on the extent to which they have positive or negative externalities that have environmental and social benefits or costs as defined by the Investment Adviser's proprietary methodology. The Investment Adviser will actively tilt the fund towards investments with positive externalities and limit investments with negative externalities. Additionally, the Investment Adviser considers ESG considerations as it relates to an issuer's creditworthiness and seeks to engage with global entities to address environmental, social and governance concerns.

- ***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 as follows:

  - Maintain that the Fund holds at least 20% in Sustainable Investments.
  - Enhancing exposure to investments that are deemed to have associated positive externalities compared to the Fund's benchmark while limiting investments that are deemed to have associated negative externalities.
  - Apply the BlackRock EMEA Baseline Screens.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

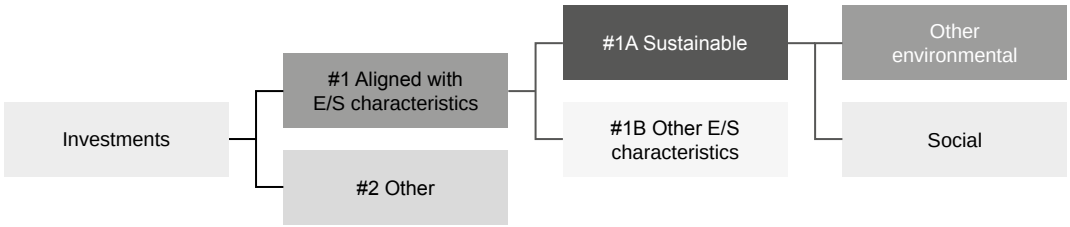
A minimum of 70% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics). In relation to these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no specific minimum commitments towards Sustainable Investments with environmental or social objectives (#1A Sustainable), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (#1B Other E/S characteristics).

The Fund may invest up to 30% of its total assets in other investments (#2 Other investments).

**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.




**#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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

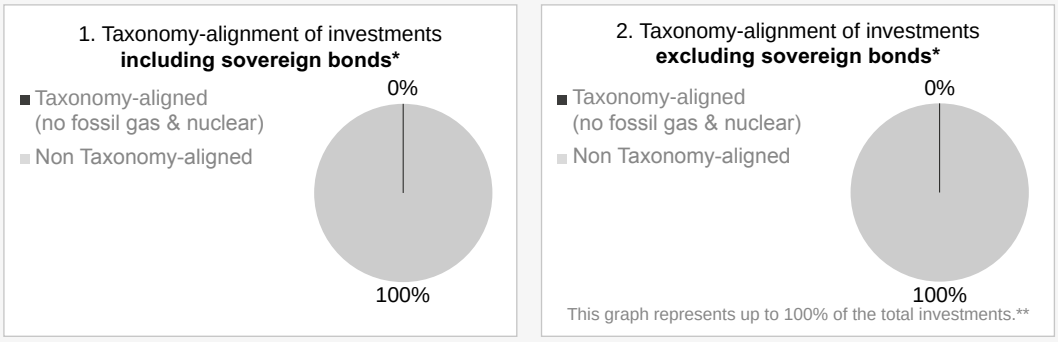
☐ Yes

☐ 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, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with environmental objectives that are not aligned with the EU Taxonomy.

The Fund invests in Sustainable Investments that are not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments with no further commitment to a minimum share of Sustainable Investments with a social objective.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 30% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

Please note that the Bloomberg Barclays Global Aggregate Index (USD hedged) is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: World Financials Fund**
**Legal entity identifier: 5493009JGB3XP8H4XV85**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

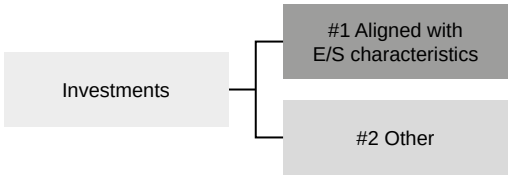
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

- ***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

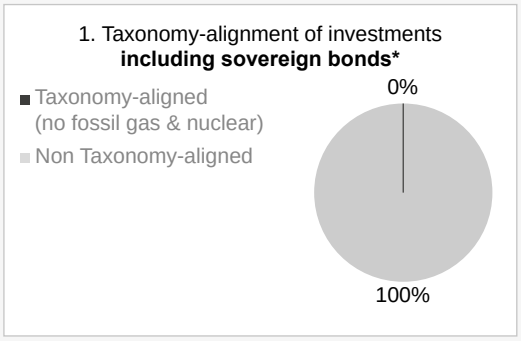
☐ Yes

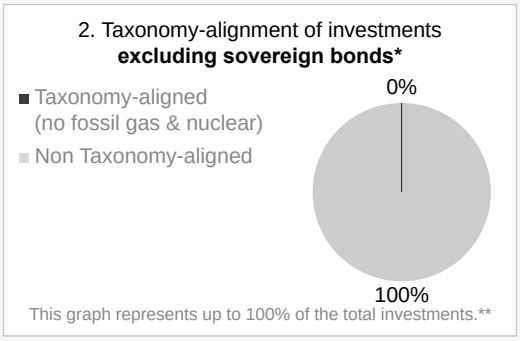
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: World Healthscience Fund**
**Legal entity identifier: 549300OHN1ZT4WMEMU83**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers and proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

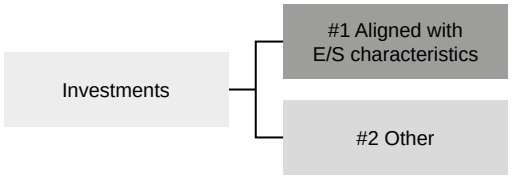
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

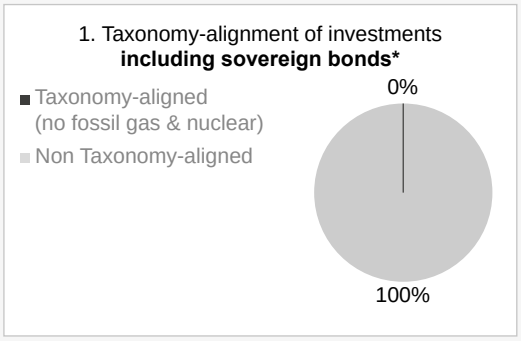
☐ Yes

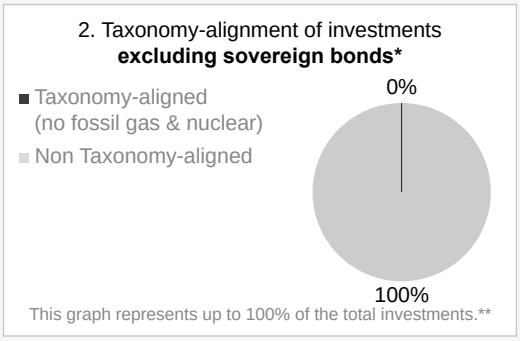
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

**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: World Real Estate Securities Fund**
**Legal entity identifier: 549300XQLHCXCR7Z2447**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

The Fund promotes climate change mitigation efforts by seeking to achieve a reduction in one-year average carbon footprint compared to the corresponding average carbon footprint, three-years prior (e.g. the average carbon footprint in 2024 will be compared to the one in 2021). The carbon footprint is defined as the total carbon emissions (scope 1 and 2) of a portfolio normalized by its market value, represented in tons of CO2 per million dollars invested.

This Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  - The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
  - The Fund's carbon emissions intensity, as described above.
  - The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

  Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Please refer to the section below, "Does this financial product consider principal adverse impacts on sustainability factors?", which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its carbon reduction target.

The Fund takes into account the following PAIs:
- GHG emissions
- Carbon footprint
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

This Fund will provide information on the PAIs in its annual report.

**What investment strategy does this financial product follow?**

The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the real estate sector. This may include residential and / or commercial real estate focused companies as well as real estate operating companies and real estate holding companies (for example, real estate investment trusts).

**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Fund promotes climate change mitigation efforts by seeking to achieve a reduction in one-year average carbon footprint compared to the corresponding average carbon footprint, three-years prior (e.g. the average carbon footprint in 2024 will be compared to the one in 2021). The carbon footprint is defined as the total carbon emissions (scope 1 and 2) of a portfolio normalized by its market value, represented in tons of CO2 per million dollars invested.The Fund may gain limited indirect exposure (through, including but not limited to, derivatives) to issuers that do not meet the ESG criteria described above.

- ***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 as follows:

  - The Investment Adviser seeks to achieve a reduction in one-year average carbon footprint compared to the corresponding average carbon footprint, three-years prior.
  - Application of the BlackRock EMEA Baseline Screens described above.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

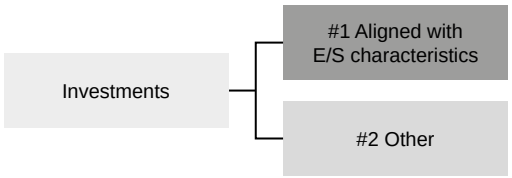
  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

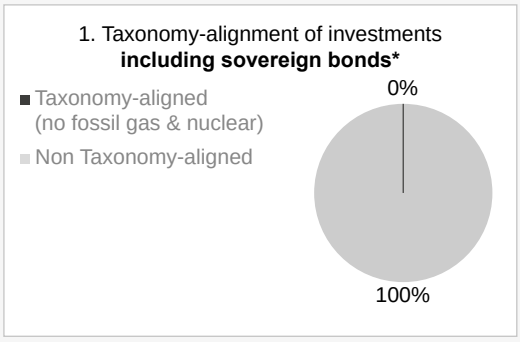
☐ Yes

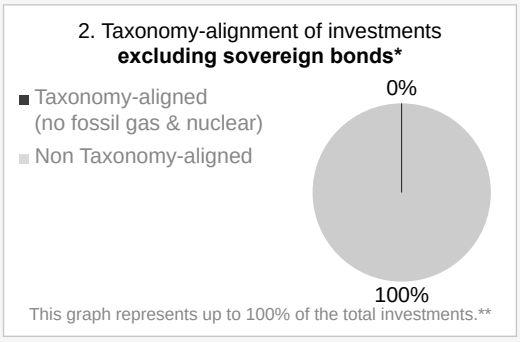
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com.

Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf.

**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: World Technology Fund**
**Legal entity identifier: 5493007T8WWG2QURHU23**

## Environmental and/or social characteristics

***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.*

**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 ___% 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** |



**What environmental and/or social characteristics are promoted by this financial product?**

This Fund applies the BlackRock EMEA Baseline Screens with the Fundamental Insights Methodology. This approach seeks to avoid exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by limiting direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes.

**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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

  1. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.

2. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology, as described above.

- ***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 does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

- ***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?***

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

**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 have the indicators for adverse impacts on sustainability factors been taken into account?*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below which describes how the Fund considers PAIs on sustainability factors.

—— *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

*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

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens using the Fundamental Insights Methodology.

The Fund takes into account the following PAIs:
- Exposure to companies active in the fossil fuel sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)



**The investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

**What investment strategy does this financial product follow?**

Companies are evaluated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG factors and their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on a company's financial performance.

The Investment Adviser conducts enhanced analysis on all companies that it considers to have heightened ESG risks, higher carbon emissions and controversial business activities. In such circumstances, the Investment Adviser may determine an engagement agenda for discussion with those companies in seeking to improve their ESG credentials. To undertake this analysis, the Investment Adviser uses its fundamental insights and may use data provided by external ESG data providers, proprietary models.

The Fund will apply exclusionary screens, the BlackRock EMEA Baseline Screens, to the companies within the investment universe. The Investment Adviser then applies its proprietary "Fundamental Insights" methodology (the "Methodology", see further detail on https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf) to identify companies that would otherwise have been excluded by the exclusionary screens but that it considers to be appropriate for investment on the basis that they are "in transition" and focused on meeting sustainability criteria over time, or are otherwise meeting other criteria in accordance with the Methodology requirements.

The Methodology uses quantitative and qualitative inputs generated by the Investment Adviser, its affiliates and/or one or more external research providers. Where a company is identified by the Investment Adviser as meeting the criteria in the Methodology for investment and is approved in accordance with the Methodology, it is eligible to be held by the Fund. Such companies are regularly reviewed. In the event that the Investment Adviser determines that a company fails the criteria in the Methodology (in whole or in part and at any time) or it is not engaging with the Investment Adviser on a satisfactory basis, it will be considered for divestment by the Fund in accordance with the Methodology.

- ***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 as follows:

  1. Apply the BlackRock EMEA Baseline Screens using Fundamental Insights Methodology.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

  Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

**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?***

  BlackRock assesses good governance practices of the investee companies by combining proprietary insights with data from external ESG research providers. BlackRock uses data from external ESG research providers to identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

  Issuers that do not satisfy BlackRock's assessment of good governance are excluded from the investment universe.

**What is the asset allocation planned for this financial product?**

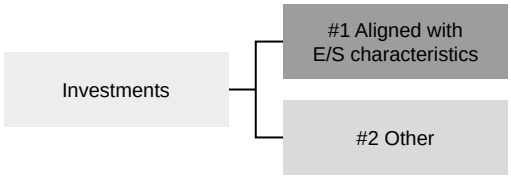
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

The Fund may invest up to 20% of its total assets in other investments (#2 Other investments).

**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.




**#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.

***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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

**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, however, these investments may form part of the portfolio.

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.

- ***Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy[1]?***

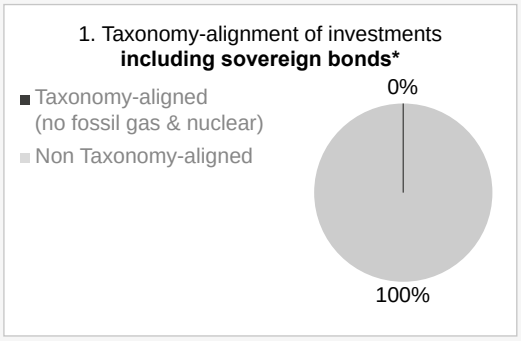
☐ Yes

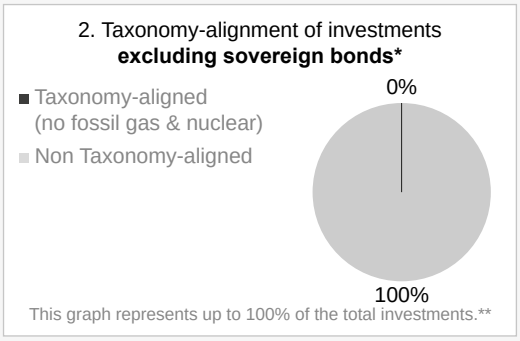
☐ In fossil gas ☐ In nuclear energy

✔ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

***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.***




**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
*** As the Fund does not commit to making sustainable investments aligned with the EU Taxonomy, the proportion of sovereign bonds in the Fund portfolio will not impact the proportion of sustainable investments aligned with the EU Taxonomy included in the graph.*

**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.

- ***What is the minimum share of investments in transitional and enabling activities?***

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

[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.

**What is the minimum share of socially sustainable investments?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

**What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

**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?**

No.

**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

  Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

  Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

  Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

  Not applicable.

**Where can I find more product specific information online?**

**More product-specific information can be found on the website:**

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens using Fundamental Insights Methodology can be found by copying and pasting the following link into your web browser: https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf

## Want to know more?

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