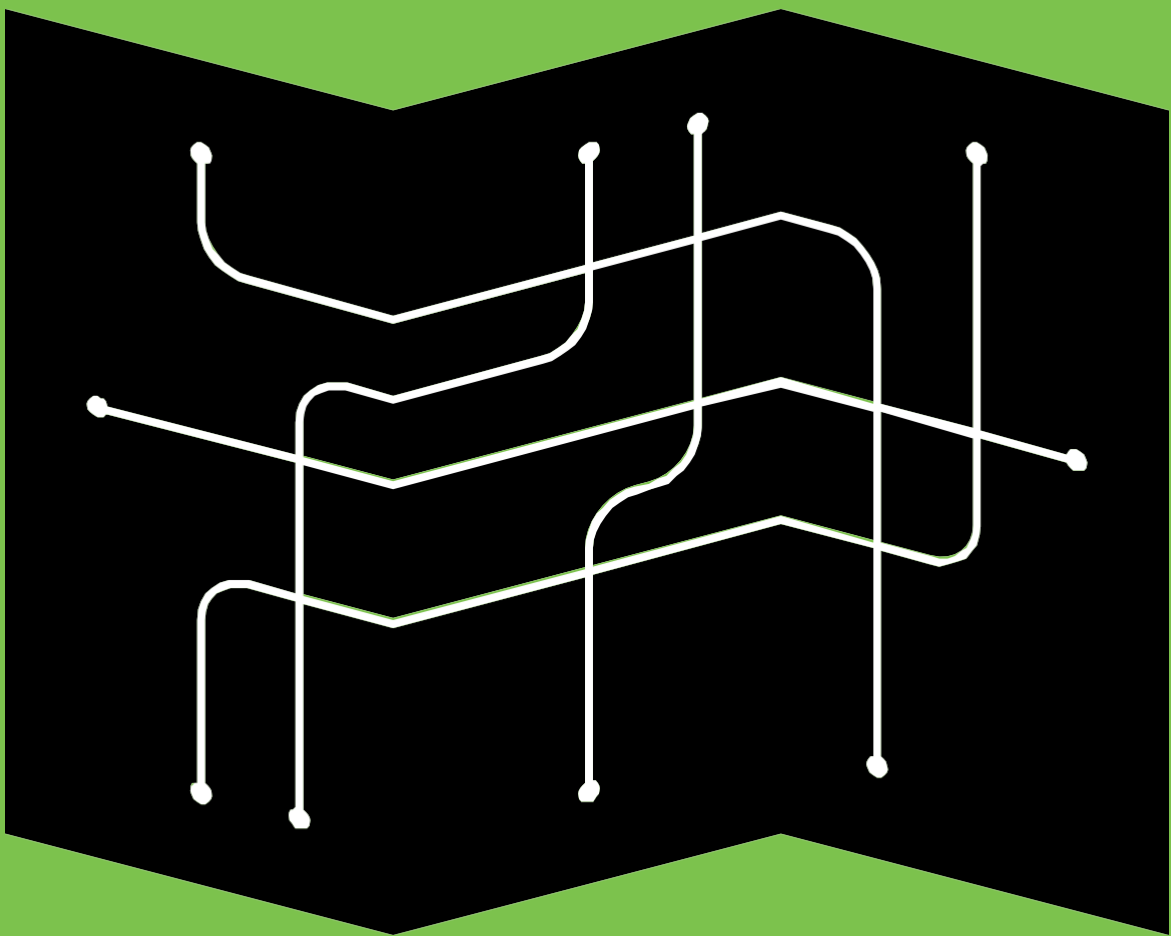
iShares
by BlackRock

2025 AUSTRALIAN TAX BOOKLET

For Australian Domiciled iShares ETFs



1. Introduction

1.1 This iShares Australian Tax Booklet ("Booklet") provides a general summary of the main Australian tax implications of the current year distributions for an investment in an Australian iShares fund, for an Australian investor, and also provides some background information relevant to the investment.

1.2 "Australian iShares" refers to iShares Exchange Traded Funds ("ETFs") that are domiciled in Australia and listed for quotation on the Australian Securities Exchange ("ASX") or Cboe Australia ("Cboe").

1.3 The information in this Booklet is of a general nature only and does not address all of the taxation issues which may be relevant to a particular investor. Accordingly, this Booklet does not constitute legal, financial or tax advice and may not be relied upon as such.

1.4 Australian taxation laws are complex and may change over time. Accordingly, it is recommended that each investor obtains their own independent professional taxation advice applicable to their own individual facts and circumstances.

2. Assumptions

2.1 The comments outlined in this Booklet assume that the investor:

(a) is an Australian resident for income tax purposes with an income year ending on 30 June 2025;

(b) is an individual taxpayer or a complying superannuation fund;

(c) does not carry on a business of either trading or dealing in shares or otherwise hold investments on revenue account – any subsequent disposal of the investment in an Australian iShares ETF will therefore be subject to the capital gains tax regime; and

(d) returns fund distributions from holding Australian iShares ETFs on an attribution basis.

2.2 This Booklet is based on the Australian taxation laws in force and the administrative practices of the Australian Taxation Office generally accepted as at 30 June 2025. Taxation laws may change in the future without notice. Furthermore, legislation introduced to give effect to any announcements regarding tax may contain provisions which were not contemplated at the time of the announcements.

2.3 AMIT Regime and Taxation Reform

An elective taxation regime is available to certain eligible managed investment trusts, known as 'Attribution Managed Investment Trusts' (AMITs). The responsible entity has made the election for eligible funds to enter the AMIT regime, from 1 July 2017 (or from the year of commencement for funds launched after 2017-18). The AMIT rules include an attribution method that provides a formal mechanism to allocate taxable income to unitholders that is not dependent on the amount of income distributed. Reforms to taxation of funds are generally ongoing and investors should seek their own advice and monitor the progress of such legislative changes.

2.4 This Booklet includes an appendix with information to assist you to complete your tax return.

2.5 The income components reflected during interim distributions are estimates only. There may be changes to these estimated income components based on the final distribution components calculated by the iShares ETF at 30 June 2025. The income components reflected in your AMIT Member Annual Statement ("AMMA Statement") should be relied on in the preparation of your tax return.

2.6 For your 2025 tax return, a new 'Trust Income Schedule' is required to be lodged which includes the various income disclosures from your iShares ETF. These changes form part of the ATO Modernisation of Trust Administration System (MTAS) project and

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will affect tax returns lodged for the 2024 and later income years. The ATO has provided Trust Income Schedule instructions that explain how the information in your AMMA Statement should be reported on the Trust Income Schedule. If you file your income tax return using myTax (MyGov) there should be messages that prompt you about potential trust income reporting, and if you lodge via a tax agent, the new trust income schedule may be integrated into their existing lodgement software. Further information can be found on the ATO's website here.

3. iShares – Background

3.1 Your investment consists of a class of units issued by BlackRock Investment Management (Australia) Limited, the responsible entity (the "Manager") which are listed for quotation on the ASX or Cboe. Each Australian iShares ETF is an Australian managed investment scheme registered with Australian Securities & Investments Commission.

3.2 Computershare Investor Services Pty Limited ("Computershare") is the registrar of the iShares ETFs. Computershare is not responsible for any information contained in this Booklet.

3.3 The Australian government participates in an automatic exchange of information protocol with other jurisdictions under the Foreign Account Taxc Compliance Act (FATCA) and Common Reporting Standard (CRS), which requires us to source details of your tax status (for example your country of tax residence) which is relevant when you first invest into an iShares ETF and on an ongoing basis if there are changes. Please note failure to certify may result in your information being reported to the Australian Taxation Office and potentially shared with foreign tax authorities. If you are unsure about your certification obligations, please seek advice from your financial adviser.

For more information on the *Common Reporting Standard (CRS)* and the *Foreign Account Tax Compliance Act (FATCA)* provisions please refer to the Taxation Summary of the PDS for your fund.

4. Distributions

4.1 Frequency and payment of fund distributions

The Manager notifies unitholders each time a distribution is declared for an iShares ETF. You must be a registered unit holder in an iShares ETF to which a distribution is payable as of the iShares ETFs record date to receive a distribution. The distributions calendar will be available on www.blackrock.com/au/ ("Website"). There is no guarantee that any distributions will be declared in the future, or that if declared, the amount of any distributions will remain at current levels or increase at any time.

Distributions will typically be paid (i.e. in cash or reinvested as additional units) by Computershare approximately 10 business days following the record date of the respective iShares ETF. Payments will be made to entitled unitholders in Australian dollars.

4.2 Assessability of fund distributions

As a unitholder, you will be assessed on all applicable distributions from each iShares ETF in the financial year in which you are attributed.

The taxable income to which you are attributed may include various amounts as described below.

Types of income

Depending on the types of investments made, the iShares ETF can derive income in the form of dividends, interest, gains on the disposal of investments and other types of income.

Generally speaking, such income derived by the iShares ETF is taxable, but tax credits (e.g. franking credits and foreign income tax offsets) may be available to unitholders to offset part or all of any resulting tax liability.

Capital gains tax

In broad terms, under the capital gains tax ("CGT") provisions of the Income Tax Assessment Acts, net gains arising on the disposal of iShares ETF investments will be included in the iShares ETFs taxable income.

The iShares ETF will generally calculate taxable capital gains based on half the nominal gain made on the disposal of an asset, if that asset was held for 12 months or more. Capital gains distributed may include some gains where eligible investors are able to claim concessional treatment.

4.3 Withholding tax – non-Australian residents

If you are not an Australian resident for tax purposes and are entitled to taxable income of the iShares ETF, the Manager may withhold an amount of tax in respect of your distribution. You may be entitled to a credit for Australian income tax paid by the Manager in respect of your tax liability.

Distributions to you of amounts attributed to Australian franked dividends will not be subject to withholding tax. Any distribution of unfranked dividends, interest or amounts in the nature of interest will, however, be subject to withholding tax. This is irrespective of whether distributions are paid in cash or reinvested as additional units.

Further, any distribution of other Australian income (including non-concessional MIT income) or capital gains from assets that are Taxable Australian Property will be subject to withholding tax. The rate of tax will generally depend on whether the iShares ETF is eligible for AMIT status and your country of residence or address.

Your Distribution Payment Advice from Computershare will show the net amount in Australian dollars of any distribution. It will also show the rate and amount of any withholding tax deducted (if applicable) from your distribution payment in Australian dollars. Distribution statements are made available to unitholders on the payment date.

4.4 Other non-assessable amount

Other non-assessable amounts are not immediately assessable for income tax purposes and are not included in your tax return. These amounts may require an adjustment to the cost base calculation of your investment and are reflected in the AMIT cost base net excess or shortfall amount.

As soon as practical, following a distribution, the Website will disclose estimated distribution components, including the other non-assessable amounts. The Website will also show any Fund payment included in a distribution that is subject to withholding tax pursuant to Subdivision 12-H of Schedule 1 of the Tax Administration Act 1953.

Please note that the Distribution Payment Advice you will receive from Computershare will disclose each distribution payment only as a distribution.

To check that none of this payment is an "other non-assessable amount", please refer to your AMMA Statement before you complete your annual income tax return. You should do this because dividends are treated differently to other non-assessable amounts, for Australian tax purposes (please refer to section 5.2).

5. Capital Gains/Losses

5.1 General

The sale or other disposal of your units in an Australian iShares ETF will constitute a capital gains tax ("CGT") event for Australian tax purposes. You will make a capital gain if the capital proceeds you receive as a result of the CGT event are greater than the cost base of the units. Subject to the comments at 5.2 below, the cost base (or reduced cost base) of your units is generally the amount that you paid for the investment and any incidental costs you incur on its acquisition and disposal (e.g. broker's fees).

If you are eligible for the discount capital gains concession, you may reduce the realised nominal capital gain by 50.00% if you are an individual, or by 33.33% if you are a complying superannuation fund. This concession will apply if you have held the units for 12 months or more prior to the CGT event.

If the capital proceeds you receive on the disposal of your units are less than their reduced cost base, the difference is treated as a capital loss. Such losses can be offset against capital gains arising in the current or future income years, but cannot be used to reduce the tax payable on your ordinary income (such as interest, dividends, salary and wages etc).

5.2 Other non-assessable amounts

This is a breakdown of other income and expenses included in the distribution from your BlackRock investment. It may include Non-assessable non-exempt (NANE), Exempt and Non-attributable amounts. These amounts should not be assessable to you. In terms of NANE, there may be cases where this amount is not received in the form of a cash distribution in the year ended 30 June 2025 but is included in the calculation of the AMIT cost base net increase /decrease amount.

More broadly, there may be instances where you receive a cash distribution which is in excess of your attributable income and the excess is treated as a non-assessable amount. There may be cost base impacts in respect of the units in your iShares ETF where this occurs, discussed further in Section 5.3. Expenses include TFN withheld amounts and other expenses.

5.3 AMIT cost base amounts

Under the AMIT regime you are required to adjust the cost base of your units as follows:

- **AMIT cost base net increase amount**

  Increase the cost base of your investment in the iShares ETF, to which the Statement relates, by this amount.

- **AMIT cost base net decrease amount**

  Decrease the cost base of your investment in the iShares ETF, to which the Statement relates, by this amount.

  You may make a capital gain at the time of receiving your distribution if the AMIT cost base net decrease amount is more than the current cost base of your units even if you have not sold your units.

6. Pay As You Go (PAYG)

6.1 You may be required to pay tax instalments on your iShares ETF distribution under Australia's PAYG system. If this applies, you should include your distribution in your personalised Business Activity Statement ("BAS") or Instalment Activity Statement ("IAS") which is lodged on a monthly, quarterly or annual basis (depending on your circumstances).

Your tax adviser can assist you with your PAYG obligations.

6.2 If you are liable to PAYG instalments, the Distribution Payment Advice sent with each distribution payment will show you the amount of your iShares distribution to include in your BAS or IAS.

Appendix A

INFORMATION TO ASSIST YOU TO COMPLETE YOUR 2025 INCOME TAX RETURN

The information in this appendix will assist an Australian resident individual who has invested in Australian iShares ETFs, to complete their Australian tax return for the financial year ended 30 June 2025. All references to the Individual Instructions Supplement form are to the 2025 paper version of each form.

You should be aware that distributions from the iShares ETF need to be included in the tax return for the year of attribution, not the year of receipt. This means that distributions for the year ended 30 June 2025 should be included in your 2025 income tax return, even though you may not have physically received the distributions until July 2025.

It assumes that the units in the iShares ETFs are held on capital account and subject to the capital gains tax regime when they are sold. If the units are held on revenue account or as trading stock, please consult your tax adviser.

It also assumes that the investor returns fund distributions from holding the units in the iShares ETFs on an attribution basis.

The information in this appendix should be read in conjunction with the general information which comprises the "Australian Tax Booklet for Australian iShares Funds".

The information in this appendix is of a general nature only and does not address all of the taxation issues which may be relevant to a particular investor. Accordingly, it does not constitute legal, financial or tax advice and may not be relied upon as such. Australian taxation laws are complex and may change over time.

It is recommended that each investor obtains their own independent professional taxation advice applicable to their own individual facts and circumstances.

Part A – Summary of 2025 Tax Return Information (supplementary section) items

To complete the investment income categories of your income tax return, you or your tax adviser will need to combine the figures provided in Part A with any income you have received from other sources.

Non-Primary Production Income (Label 13U)

This amount includes your share of net income from trusts (e.g. unfranked dividends and interest). It excludes net capital gains, foreign income and franked distributions.

Franked distributions from trusts (Label 13C)

This amount includes your share of franked distributions from trusts, together with any share of franking credits (the franking credit 'gross up') referable to those franked dividends.

Franking Credits (Label 13Q)

This amount is your share of franking credits attached to the income derived from non-primary production income (franked distributions from trusts) shown at 13C.

TFN Withholding Credit (Label 13R)

This amount is withholding tax that has been deducted from your distribution or income paid on redemption where you have not provided your TFN, ABN or claimed an exemption in relation to your investment in the iShares ETF. Tax is deducted at the top marginal rate.

Total Current Year Capital Gains (Label 18H)

This amount includes capital gains derived from the disposal of assets held for less than 12 months and capital gains calculated under the Discount Method without applying the 50% discount. This amount will also include any foreign capital gains.

Net Capital Gains (Label 18A)

This amount includes the same capital gain amounts that are included in Item 18H, except that the capital gains calculated under the Discount Method are included after applying the 50% discount.

If you have derived capital gains or losses from other investments, these amounts need to be adjusted in order to take these additional gains/losses into account. If capital losses are to be applied to a Discount Capital Gain, you are required to offset the loss against the gross capital gain and then apply the applicable CGT discount to the net amount.

Please note that if you have redeemed, switched or transferred any units in an iShares ETF during the year, you need to include any capital gain or capital loss in your income tax return calculations.

Assessable Foreign Source Income (Label 20E)

This amount includes assessable foreign income.

Other Net Foreign source income (Label 20M)

If you have foreign income deductions you should follow the instructions in the 2025 Tax Pack Supplement. If you have foreign income deductions the amount you insert at 20M is the amount at 20E less your foreign income deductions. If you have no foreign income deductions then the amount at 20M will be the same as 20E.

If you have derived foreign income or losses from other sources, the amounts above need to be adjusted in order to take this additional income and loss into account.

Foreign Income Tax Offset (Label 20O)

Foreign income tax offsets (FITOs) represent tax that has been withheld from foreign income you have received. The amounts provided for Question 20 above are grossed up to include foreign income tax offset amounts.

FITOs for the year ended 30 June 2025

For the year ended 30 June 2025 all FITOs in the iShares ETF AMMA statements are FITOs in relation to 'Other Foreign Income'. There are no FITOs relating to taxable foreign discounted capital gains, or foreign other capital gains.

The law on the entitlement of investors to claim foreign income tax offsets is particularly complex and has been subject to recent changes. As such, we recommend you consult your accountant or tax adviser to determine the foreign income tax offset you are entitled to claim.

Summary of useful Australian Tax Office (ATO) booklets

The following references may be useful to you and are available at www.ato.gov.au.

- You and your shares 2025
- Guide to foreign income tax offset rules 2025
- Introduction to Pay As You Go income tax instalments

Want to know more?

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