BLACKROCK DIVERSIFIED ESG STABLE FUND

BlackRock

FUND UPDATE **30 November 2025**

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- Market Insights & Commentary
- Fund Performance
- Unit Prices

Investment Performance (%)

	1 Mth	3 Mths	YTD	1 Yr	3 Yrs	5 Yrs	Inc
BlackRock Wholesale Diversified ESG Stable Fund (Gross of Fees)[1]	0.12	2.18	9.54	9.10	8.31	5.09	6.39
Benchmark*	-0.08	2.07	8.86	8.57	7.78	4.94	5.84
Outperformance (Gross of Fees)	0.19	0.11	0.68	0.53	0.54	0.15	0.55
BlackRock Diversified ESG Stable Fund (Net of Fees)[2]	0.06	2.01	8.84	8.34	7.58	4.38	5.80
Benchmark*	-0.08	2.07	8.86	8.57	7.78	4.94	6.01
Outperformance (Net of Fees)	0.14	-0.07	-0.01	-0.23	-0.20	-0.57	-0.21

[1] Fund inception: 31/10/1997. [2] Fund inception: 31/12/1996.

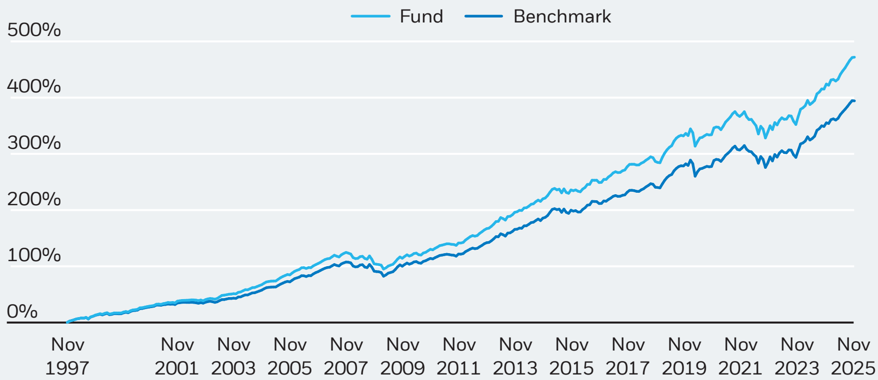
Past performance is not a reliable indicator of future performance. Performance for periods greater than one year is annualised.

* The benchmark is a diversified allocation of the MSCI Australia IMI Specified ESG Screened Index, MSCI World Index 4PM (hedged in AUD), MSCI Emerging Markets Net Index (unhedged in AUD), FTSE Developed Core Infrastructure 50/50 Net Tax Index (unhedged in AUD), FTSE EPRA Nareit Developed Index Net TR Index (unhedged in AUD), Refinitiv Gold Fixing Price Index (unhedged in AUD), Bloomberg MSCI Australia 100mn ESG Weighted SRI Select Index, Bloomberg AusBond Inflation Government 0+ Year IndexSM, Bloomberg AusBond Credit 0+ Yr Index, Bloomberg Barclays US Govt Inflation-Linked Index (hedged in AUD), Bloomberg MBS Index (AUD hedged), ICE BofA Developed Markets HY Constrained Index (hedged in AUD), Bloomberg AusBond Bank Bill Index℠.

Please note that effective from 31st March 2025 the index weights representing the performance benchmark for the BlackRock Diversified ESG Stable Fund have changed slightly to reflect the latest changes to the Fund's strategic asset allocation (i.e. the composite benchmark). This is reflected in the historical benchmark performance, with returns prior to 31st March 2025 reflecting those of the old benchmark weights while returns after this date reflect those of the updated benchmark weights.

Performance is calculated in Australian dollars and assumes reinvestment of distributions. Gross performance is calculated gross of ongoing fees and expenses. Gross returns are provided for products offered to wholesale clients only who may be subject to differential fees. Please refer to the Fund's product disclosure statement for more information. Net performance is calculated on exit-to-exit price basis, e.g. net of ongoing fees and expenses.

Cumulative Performance (Gross of fees) to 30 November 2025



Performance Summary

Market Overview

Global markets endured a choppy November as returns diverged across regions, sectors and asset classes. Sharemarkets saw initial weakness amid uncertainty around the US government shutdown, before rebounding sharply as weaker economic data led markets to price in further policy easing by the US Federal Reserve. Although corporate earnings remained supportive, concerns regarding lofty valuations further underpinned a note of caution. Global equities, as measured by the MSCI World Index (hedged), finished the month up 0.3% in Australian dollar terms. Fixed income markets also recorded gains with the Bloomberg Global Aggregate Index (hedged) rising 0.2% across the period.

United States
In the US, the S&P 500 Index rose by 0.2% in November, with Health Care and Communication Services among the best performing sectors while Information Technology underperformed amid concerns around valuations and the sustainability of profit growth. The future path of monetary policy also contributed to volatility across the period – with markets declining early in the month before rebounding after New York Fed President, John Williams, stated he saw room for another rate cut "in the near term". In addition, reports that Director of the National Economic Council, Kevin Hassett, was the frontrunner to become the next Fed Chair, further buoyed rate cut expectations. Meanwhile, a bipartisan deal to end the record-long Federal government shutdown saw the resumption of economic data releases. The US unemployment rate edged up to 4.4% for September while August payrolls data were revised lower which contributed to labour market concerns. Meanwhile, corporate earnings growth for Q3 is tracking over 13%, which would represent the fourth consecutive quarter of double-digit growth.

Europe
European equities recorded gains in November, with the Euro Stoxx 50 Index rising 0.2% in local currency terms. European shares were encouraged by signs of progress in Ukraine-Russia peace talks, while investors are expecting an improved earnings outlook for 2026. On the data front, preliminary inflation figures across major Eurozone economies were mixed for November – with France and Italian price pressures cooling, while German inflation ticked up to 2.6% annualised. Meanwhile, the European Central Bank (ECB) has held rates steady at 2.00% since June and remains data-dependent with ECB Governing Council member, Olli Rehn, viewing inflation risks as "two-sided".

In the UK, the FTSE 100 Index rose 0.4% over the month. The Bank of England (BoE) narrowly decided to keep interest rates on hold in November in a split decision, but BoE Governor, Andrew Bailey, signalled the likelihood of upcoming monetary easing ahead. Markets are now expecting a December rate cut, which was further supported by headline inflation cooling to 3.6% year-on-year in October. Fiscal policy took the spotlight towards the end of the month as the UK Treasury's Autumn Budget was released with a focus on tax rises, particularly income tax and dividend measures, to reduce the government's budget deficit.

Asia
China's CSI 300 fell by 2.4% in local currency terms in November. China's economy remained in focus with full-year economic growth likely to meet the government's "around 5%" target amid incremental policy support, while the anti-involution campaign also continues to shift resources from low-margin sectors to innovation, technology and productivity-driven industries. Meanwhile, geopolitical tensions with Japan spiked over the month given comments regarding hypothetical China-Taiwan conflict and possible Japanese intervention. On the data front, industrial production ticked down to 4.9% year-on-year in October, while consumption was more positive with retail sales rising 2.9% annualised and inflation numbers moved back into positive territory.

Japanese equities, as represented by the Nikkei 225 Index underperformed its developed counterparts and declined by 4.1% over the month (in local currency terms). Sharemarkets saw a pullback after a strong rally in October which was driven by new Prime Minister, Sanae Takaichi's, planned ¥13 trillion fiscal package to offset cost pressures and fund investment in artificial intelligence, semiconductors and defence. Late in the month, core inflation, which excludes volatile fresh food costs, printed above expectations at 2.8% year-on-year for November with the Bank of Japan (BoJ) considering further rate hikes in the year ahead.

Australia
The S&P/ASX 300 Accumulation Index finished the month down 2.6%, with Information Technology and Financials the worst performing sectors. Investor concerns about re-accelerating price pressures weighed on local stocks with monthly headline inflation rising by an annualised rate of 3.8% for October which was above economist expectations. Earlier in the month, the Reserve Bank of Australia (RBA) left rates unchanged and market pricing now reflects a growing likelihood that the central bank has completed its easing cycle, with this latest inflation print meaningfully above the RBA's 2-3% target band. Meanwhile, Australian house prices, as represented by the Cotality Home Value Index, rose by 1.0% in November, driven by growth across mid-sized capital cities.

Fixed Income
Fixed income markets moved higher in November as US government bonds benefitted from a repricing of rate cut expectations late in the month, although stronger-than-expected inflation was a headwind for Australian fixed interest. The US 10-year yield fell by 6 basis points in November, while the Australian 10-year yield rose by 22 basis points to end the month at 4.0% and 4.5% respectively. The fall in US rates pushed bond prices higher and the Global Aggregate index (hedged) rose by 0.2%, while the Australian composite bond index fell by 0.9% over the month. Riskier parts of the fixed income market, namely corporate credit and emerging market debt rose across the period.

Commodities & FX
Commodity markets were mixed over the month. Gold gained 5.9% to continue its record rally and remains one of the best performing asset classes over the past year. Across industrial metals, Copper rose by 2.2% in November amid strong capital investment in data centres, while Iron Ore edged down by 0.8% and Oil prices fell 2.8% across the period. Within currencies, the US dollar fell 0.2% in November against a basket of its developed market peers, and the Australian dollar movement was muted against the US dollar.

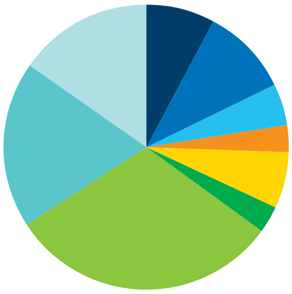
Strategy Commentary – November 2025

The BlackRock Diversified ESG Stable Fund recorded a positive return of +0.06% (net of fees) over November 2025, bringing the year-to-date performance to +8.84% (net of fees).

Growth assets delivered mixed returns with Developed Markets equities and Emerging Markets equities contributing positively. However, Australian equities weighed on the performance over the month. The allocations to Global Infrastructure and Global Property contributed meaningfully over the month. The fund's defensive asset classes also delivered mixed returns with US Mortgage-Backed Securities, US Inflation Linked bonds, Global High Yield Corporate bonds contributing positively while Australian Inflation Linked bonds, Australian Bonds and Australian Investment Grade Corporate bonds weighed on the performance. The allocation to Gold was further additive to the fund's overall performance.

On the active front, the Fund outperformed its diversified benchmark over the month by +0.14% (after fees). Emerging Markets Equities was the key contributor to the active performance, driven by stock selection in China and Korea. The allocations to Developed Markets Equities, Australian equities and Global Infrastructure also supported the active performance. The fund's global macro strategy, which takes overweight and underweight positions across asset classes and regions (i.e., tactical asset allocation), was relatively flat over the month.

Fund Allocation



	Fund	Benchmark
Australian Shares	7.90	8.00
International Shares	9.89	10.00
Emerging Markets Shares	4.97	5.00
Global REITs (unhedged)	3.05	3.00
Global Listed Infrastructure (unhedged)	6.20	6.00
Gold	3.08	3.00
Australian Bonds	30.89	31.00
International Bonds	18.82	19.00
Cash	15.19	15.00

These benchmark weights reflect both direct and indirect investments and the effect of derivatives. While the fund is managed to this benchmark as at the date of this document, the benchmark weights may vary after the issue date of this document.

About the Fund

Investment Objective

The Fund aims to achieve superior investment performance through providing returns that exceed those of the composite benchmark after fees, over rolling 3-year periods. The Fund will seek to meet its investment objective while taking into account the principles of environmental, social and governance (ESG) focused investing. The composite benchmark comprises a portfolio of published indexes, approximately 70% of which represent defensive assets and 30% of which represent growth assets.

Fund Strategy

BlackRock utilises its proprietary capital market assumptions, which produce long-term estimates of expected risk and return in each asset class. These are used to construct the Fund's strategic asset allocation (SAA) which sets the target allocations for various asset classes.

BlackRock then implements the SAA, and gains exposure to the targeted asset classes by investing in other pooled investment vehicles (Underlying Funds) which are managed by us or other entities within the BlackRock Group. These Underlying Funds have a range of active and index investment strategies. Each active strategy aims to add value over the strategic allocation, whilst controlling risk. In addition to long-only active funds, the Fund may invest in Underlying Funds with absolute return strategies to achieve the Fund's overall performance objective. BlackRock may adjust the SAA or its investment into Underlying Funds from time to time, including at periodic rebalances.

The selection of an Underlying Fund for inclusion in the strategy is the result of a comprehensive due diligence process. In selecting Underlying Funds, BlackRock takes into account ESG considerations as set out in section titled 'ESG approach within the Underlying Fund selection process' in the Fund's Product Disclosure Statement.

Should be considered by investors who ...

- Seek a fund that invests across a range of domestic and international asset classes in seeking to maximise the benefits of global diversification.
- Seek a fund that incorporates ESG considerations in constructing and implementing its strategic asset allocation.

Fund Details

BlackRock Wholesale Diversified ESG Stable Fund	
APIR	BGL0002AU
Fund Size	79 mil
Buy/Sell Spread	0.07%/0.07%

BlackRock Diversified ESG Stable Fund	
APIR	BAR0811AU
Management Fee	0.69% p.a.

BlackRock.