This Supplement contains information relating to the Fund which is a separate fund of the Company. This Supplement forms part of and should be read in the context of, and together with, the Prospectus for the Company dated 10 March 2021, and any amending Supplements and Addenda to the Prospectus (the "Prospectus").

The distribution of this Supplement and the offering or purchase of the Shares of the Company may be restricted in certain jurisdictions. Accordingly, this Supplement does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful. It is the responsibility of any persons in possession of this Supplement to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction.

If you are in any doubt about the action to be taken or the contents of this Supplement please consult your stockbroker, bank manager, lawyer, accountant or other independent professional adviser authorised under the Financial Services and Markets Act 2000 immediately.

Upon issue, the Shares will be admitted to trading on Euronext.

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iShares IV Public Limited Company
(an umbrella open-ended investment company with variable capital and having segregated liability between its funds)

Supplement relating to

iShares China CNY Govt Bond UCITS ETF

MANAGER

BlackRock Asset Management Ireland Limited

INVESTMENT MANAGER
BlackRock Advisors (UK) Limited

Potential investors should consider the risk factors set out in the Prospectus and in this Supplement before investing in the Fund.

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

Save as disclosed in this Supplement, there has been no significant change and no significant new matter has arisen since publication of the Prospectus.

Application has been made for all of the Shares issued and to be issued to be traded on Euronext. The Fund constitutes a new fund of the Company and the Shares will be allocated to the Fund as and when issued.

It is expected that dealings in the Shares will commence on or about 10 September 2021.

The date of this Supplement No. 1 is 10 March 2021.

To the extent that there is any inconsistency between this Supplement and the Prospectus, this Supplement shall prevail.

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DEFINITIONS

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

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

"Authorised Participant", a market maker or broker entity which is registered with the Company as an authorised participant and therefore able to deal on the Primary Market for Shares in the Fund.

"Base Currency", the base currency of the Fund, which is US Dollar ($).

"Benchmark Index", the Fund's benchmark index, the FTSE Chinese Government Bond Index.

"Benchmarks Regulation", Regulation (EU) 2016/1011 of the European Parliament and of the Council.

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

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

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

"*CDC*", the China Central Depository and Clearing Co.

"*Central Bank*", the Central Bank of Ireland.

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

"Central Securities Depositaries", such Recognised Clearing Systems which are national settlement systems for individual national markets. The Central Securities Depositaries will be Participants in the International Central Securities Depositaries.

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

"Chinese Yuan" or "CNY" or "Renminbi", the lawful currency of the PRC.

"CIBM", China Interbank Bond Market.

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

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

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

"*Company*", iShares IV plc.

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

"*CSRC*", China Securities Regulatory Commission.

"*Currency Hedged Share Class*", a Share Class which allows the use of hedging transactions to reduce the effect of exchange rate fluctuations as described under the heading "Currency Hedged Share Classes" in "Current Share Classes" table of this Supplement.

"*Current Share Classes*", the Share Classes of the Fund available for launch at the discretion of the Manager as at the date of this Supplement as listed in the "Current Share Classes" table of this Supplement.

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

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

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

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

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

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

"*Euronext*", Euronext N.V.

"*FDI*", financial derivative instruments.

"*Fund*", iShares China CNY Govt Bond UCITS ETF; a reference to the "Fund" shall, in the context where no particular Share Class is specified, include all Share Classes attributable to the Fund.

"GDN", Global Depository Note.

"Global Share Certificate", means the certificate evidencing entitlement to the Shares issued pursuant to the Memorandum and Articles and the Prospectus, described in further detail under the section titled "Global Clearing and Settlement" in the Prospectus.

"HKEX", Hong Kong Exchanges and Clearing Limited.

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

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

"KIID", the key investor information document issued in respect of the Fund pursuant to the Regulations, as may be amended from time to time in accordance with the Central Bank UCITS Regulations.

"Launched Share Class", a Share Class in existence and available for investment.

"*Local PRC Sub-custodian*", HSBC Bank (China) Company Limited or such other person appointed by the PRC Sub-custodian as its delegate to provide custodian services in respect of assets of the Fund in the PRC.

"LSE", the London Stock Exchange.

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

"*OTC*", over the counter.

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

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

"PBOC", People's Bank of China.

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

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

"PRC Sub-custodian", The Hong Kong and Shanghai Banking Corporation Limited or such other person appointed as a sub-custodian of the Fund for assets in the PRC.

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

"QFII", Qualified Foreign Institutional Investor*.*

"Registrar", such person as may be appointed, in accordance with the requirements of the Central Bank, to provide registrar services to the Fund.

"*RMB*", Renminbi, the lawful currency of the People's Republic of China (PRC).

"RQFII", Renminbi Qualified Foreign Institutional Investor.

"RQFII Custodian Agreement", an agreement entered into between the Investment Manager, the PRC Sub-custodian and the Local PRC Sub-custodian for the purpose of appointing the PRC Sub-custodian to act through the Local PRC Sub-custodian as the local RQFII custodian in the PRC of the assets of the Fund acquired under the RQFII Regime.

"RQFII Licence", licence awarded by the CSRC to entities based in certain jurisdictions outside of the PRC, enabling such entities to acquire certain onshore Chinese securities under the RQFII Regime.

"RQFII Regime", the regime under which holders of an RQFII Licence are enabled to acquire certain onshore Chinese securities.

"*SAFE*", China's State Administration of Foreign Exchange.

"SCH", the Shanghai Clearing House Co., Ltd.

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

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

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

"Share Class", any class of Share attributable to the Fund and carrying rights to participate in the assets and liabilities of the Fund, as further described below under the "Introduction" section of this Supplement*.*

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

"*SIX*", SIX Swiss Exchange.

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

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

All other defined terms shall bear the same meaning as are ascribed thereto in the Prospectus.

INTRODUCTION

The Company is an open-ended investment company with variable capital and having segregated liability between its funds organised under the laws of Ireland. The Company was authorised by the Central Bank as a UCITS for the purposes of the Regulations on 13 November 2009, to offer pooled investment. The Company is structured as an umbrella fund in that the share capital of the Company may be divided into different classes of shares with one or more classes representing a separate fund of the Company. Each fund may have more than one share class. Other funds of the Company are set out in Appendix I to this Supplement.

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

The Prospectus sets out information that applies to each and every fund of the Company. This includes risk factors that apply to investing in funds that seek to track a benchmark index, the management and administration of the funds by the Company, fund valuations, procedures for subscriptions, redemptions and transfers of shares in the funds, details of fees and expenses payable by the funds and taxation of shares in the funds. The Prospectus also contains information from the Company's Articles of Association.

This Supplement contains specific information relating to the Fund, including details of how to buy and sell Shares and the settlement system used by the Fund. The Base Currency of the Fund is US Dollar ($). The types of Share Classes that may be made available by the Company in the Fund are set out below.

Income Treatment	Share Class Valuation Currency	Hedged / Unhedged	Currency into which the Share Class is Hedged
Accumulating	Base Currency	Unhedged	N/A
Accumulating	Base Currency	Hedged	The same as the Valuation Currency
Accumulating	Differs from the Base Currency	Unhedged	N/A
Accumulating	Differs from the Base Currency	Hedged	The same as the Valuation Currency
Distributing	Base Currency	Unhedged	N/A
Distributing	Base Currency	Hedged	The same as the Valuation Currency
Distributing	Differs from the Base Currency	Unhedged	N/A
Distributing	Differs from the Base Currency	Hedged	The same as the Valuation Currency

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

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

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

Potential investors in the Fund should read the Fund's KIID. Potential investors in the Fund should also read this Supplement in conjunction with the Prospectus, which is available, free of charge, from the Administrator or the Investment Manager or from the official iShares website (www.iShares.com). All terms and conditions relating to the Company generally as set out in the Prospectus apply to the Fund, save as set out in this Supplement.

Potential investors should also refer to the Company's most recent annual and semi-annual reports (if any) which contain information on the financial performance of the funds of the Company and form part of the Prospectus.

Upon issue the Shares will be traded on Euronext. It is also intended that the Shares of the Fund will be listed and admitted to trading on a number of other stock exchanges including, without limitation, the LSE, the SIX and the Xetra.

Profile of a Typical Investor

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

Investors are expected to be able to make an investment decision based on the information set out in this Supplement, the Prospectus and the Fund's KIID or, alternatively, to obtain professional advice. Investors should also be able to bear capital and income risk and view an investment in the Fund as a medium to long term investment, although the Fund may also be suitable for providing shorter term exposure to its Benchmark Index where such exposure is sought by the investor.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be suitable for all investors.

INVESTMENT OBJECTIVE AND POLICIES

Investment Objective

The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE Chinese Government Bond Index.

Currency Hedged Share Classes offered in the Fund aim to reduce the impact of exchange rate fluctuations between the underlying portfolio currency exposures of the Fund and the Valuation Currency of a Currency Hedged Share Class on returns of the Benchmark Index to investors in that Share Class, through entering into foreign exchange contracts for currency hedging.

Investment Policy

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

In the event that certain fixed income securities are removed from the Benchmark Index because they have less than one year to maturity, the Fund may continue to hold such securities until such time as it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may invest in FDI for direct investment purposes to assist in achieving its policy of tracking its Benchmark Index. For details regarding investment in FDI please refer to the section headed "The Benchmark Index and Investment Techniques".

The Fund may hold small amounts of cash ("Cash Holdings") and ancillary liquid assets (which will normally have dividend/income receivables) subject to the limits set out in Schedule III of the Prospectus. The Fund may, to preserve the value of such Cash Holdings, invest in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

The Fund may also employ techniques and instruments relating to transferable securities for efficient portfolio management purposes in accordance with the terms set out in the section headed "Efficient Portfolio Management" below and in the Prospectus.

The Fund is passively managed. The Fund's Investments will be limited to investments permitted by the Regulations which are described in more detail in Schedule III of the Prospectus. The Fund's Investments, other than its Investments in OTC FDI and open-ended collective investment undertakings, will normally be listed or traded on Regulated Markets set out in Schedule I of the Prospectus. Potential investors in the Fund may obtain a breakdown of the constituents of the Fund from the official iShares website (www.iShares.com) or from the Investment Manager.

THE BENCHMARK INDEX AND INVESTMENT TECHNIQUES

The FTSE Chinese Government Bond Index measures the performance of CNY denominated fixed-rate government bonds issued in mainland China. Bonds included in the Benchmark Index must have a minimum remaining maturity of one year, a minimum issue size of CNY 35 billion and not have a maturity greater than 30 years from issuance. Zero-coupon bonds, saving bonds, special government bonds and bonds issued prior to 1 January 2005 are excluded from the Benchmark Index. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index are available on the index provider's website at http://www.yieldbook.com/m/indices/search.shtml.

The constituents and selection methodology of the Benchmark Index, as described above, may change over time. The Benchmark Index of the Fund may be changed in certain circumstances as set out in the section headed "Benchmark Indices" in the Prospectus. There is no assurance that the Fund's Benchmark Index will continue to be calculated and published on the basis described herein or that it will not be amended significantly.

As at the date of this Supplement, FTSE Fixed Income LLC, the benchmark administrator for the Benchmark Index, is not included in the Benchmarks Regulation Register and does not have the Benchmark Index listed in the Benchmarks Regulation Register as required under the Benchmarks Regulation. FTSE Fixed Income LLC provides the Benchmark Index on the basis of the transition period provided under the Benchmarks Regulation. It is expected that FTSE Fixed Income LLC will file an application for recognition as a benchmark administrator or an endorsement of the Benchmark Index in advance of the end of the transition period, in accordance with the Benchmarks Regulation requirements.

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

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

(ii) The Investment Manager will be investing in China onshore bonds by acquiring them on the CIBM which can be accessed without the use of the Investment Manager's RQFII Licence. However, the Investment Manager may also invest in China onshore bonds traded on the Shanghai and/or Shenzhen Stock Exchanges using its RQFII Licence or via Bond Connect which does not require an RQFII Licence. To the extent that the Investment Manager is not able to acquire China onshore bonds that it wishes to acquire on the CIBM and/or through the RQFII Regime, and if the relevant onshore securities cannot be fully acquired through Bond Connect or another channel, the Fund may hold synthetic securities within the limits set out in the Prospectus, provided that the synthetic securities are securities which are correlated to, or the return on which is based on, securities which form part of the Benchmark Index.

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

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

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

(vi) Securities included in the Benchmark Index may, from time to time, become unavailable, illiquid or unobtainable at fair value. In these circumstances, the Investment Manager may use a number of techniques, including purchasing securities which are not constituents of the Benchmark Index, whose returns, individually or collectively, are considered by the Investment Manager to be well-correlated to the constituents of the Benchmark Index.

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

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

Where consistent with its investment policy, the Fund may from time to time invest in government bonds, liquidity instruments such as floating rate instruments and commercial paper (rated at least A3 by Moody's or an equivalent rating from another agency), Structured Finance Securities, other transferable securities (for example, medium term notes) and open-ended collective investment undertakings. Subject to the provisions of the Regulations and the conditions imposed by the Central Bank, the Fund may invest in other funds of the Company and/or in other collective investment schemes managed by the Manager. The Fund may, in accordance with the requirements of the Central Bank in limited circumstances where direct investment in a constituent security of its Benchmark Index is not possible or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depositary note, invest in depository notes to gain exposure to the relevant security. The Fund may hold small amounts of ancillary liquid assets (which will normally have dividend/income receivables) and the Investment Manager, to produce a return similar to the return on the Benchmark Index, may purchase FDI. The Fund may also hold small amounts of Cash Holdings. The Fund may, to preserve the value of such Cash Holdings, invest in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

In addition, the Fund may also engage in transactions in FDI including options and futures transactions, swaps, forward contracts, non-deliverable forwards, credit derivatives (such as single name credit default swaps and credit default swap indices), spot foreign exchange transactions, caps and floors or other derivative transactions for direct investment, where appropriate, to assist in achieving its investment objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Benchmark Index or to the Benchmark Index itself, to produce a return similar to the return of the Benchmark Index, to reduce transaction costs or taxes or to allow exposure in the case of illiquid securities or securities which are unavailable for market or regulatory reasons or to minimise tracking errors or for such other reasons as the Directors deem of benefit to the Fund.

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

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

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

Risk Management Process

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

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

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

Management of Cash Holdings and FDI Cash Holdings

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

INVESTMENT AND BORROWING RESTRICTIONS

The Company is a UCITS and accordingly the Fund is subject to the investment and borrowing restrictions set out in the Regulations and the Central Bank's guidance. These are set out in detail in Schedule III of the Prospectus.

ANTICIPATED TRACKING ERROR

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

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

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

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

Tracking error may also occur to the extent the Fund is using the Investment Manager's RQFII Licence to invest under the RQFII Regime if the Investment Manager's RQFII Licence is revoked, terminated or otherwise invalidated and/or if the Fund is unable to fully acquire the relevant China onshore securities through the RQFII Regime, Bond Connect or another channel that does not require an RQFII Licence. In such circumstances, the Fund may need to invest in securities or other instruments that are not constituents of its Benchmark Index, but which provide a similar exposure to the return of the Benchmark Index. These instruments may include offshore futures, shares in companies incorporated in the PRC but listed in Hong Kong, other exchange-traded funds that would provide a similar exposure or unfunded swap agreements, which are agreements whereby a counterparty agrees to provide the Fund with the returns of a specific exposure, i.e. the Benchmark Index, in return for a fee. Please refer to the section entitled "The Benchmark Index and Investment Techniques" above for other circumstances where a Fund may be unable to invest in the constituents of the Benchmark Index directly and which may therefore result in tracking error.

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

The anticipated tracking error of the Fund is not a guide to future performance. The annual and semi-annual report and accounts will set out the actual realised tracking error as at the end of the period under review. At the date of this Supplement the anticipated tracking error of Unhedged Share Classes of the Fund against the Benchmark Index (which is also unhedged), in normal market conditions, is up to 0.15%.

EFFICIENT PORTFOLIO MANAGEMENT

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

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

The maximum proportion of the Net Asset Value of the Fund that can be subject to securities lending is 100%. The demand to borrow securities and to comply with investor tax regulations in certain jurisdictions are significant drivers for the amount that is actually lent from the Fund at a given time. Borrowing demand fluctuates over time and depends to a large extent on market factors and prevailing investor tax legislation in certain jurisdictions, neither of which can be forecasted precisely. Based on historical data, it is expected that the lending volume for the Fund will typically range between 0% and 65% of the Net Asset Value, though past levels are no guarantee of future levels.

For additional information about techniques and instruments relating to transferable securities for efficient portfolio management purposes, please see the section headed "Efficient Portfolio Management" in the Prospectus.

METHODOLOGY FOR CURRENCY HEDGING

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

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

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

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

RISK FACTORS

Potential investors' attention is drawn to the "Risk Factors" section detailed at pages 97 to 139 of the Prospectus. In addition to the risk factors outlined in the Prospectus, the Fund has additional risk factors that investors should consider before investing in the Fund:

General Investment Risks

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

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

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

Passive Investment Risk
The Fund is not actively managed and may be affected by a general decline in market segments related to the Benchmark Index. The Fund invests in securities included in, or representative of, the Benchmark Index, and the Fund does not attempt to take defensive positions under any market conditions, including declining markets.

Index Tracking Risks
While the Fund seeks to track the performance of its Benchmark Index through an optimising strategy, there is no guarantee that it will achieve perfect tracking and the Fund may potentially be subject to tracking error risk, which is the risk that its returns may not track exactly those of its Benchmark Index, from time to time. This tracking error may result from an inability to hold the exact constituents of the Benchmark Index (although this is not the expected cause of tracking error for non-replicating funds such as the Fund), for example where there are local market trading restrictions, small illiquid components, a temporary unavailability or interruption in trading of certain securities comprising the Benchmark Index and/or where the Regulations limit exposure to the constituents of the Benchmark Index. In addition, the Company relies on an index licence granted by a third party index provider to use and track the Benchmark Index. In the event that the index provider terminates or varies an index licence, it will affect the ability of the Fund to continue to use and track its Benchmark Index and to meet its investment objective. In such circumstances, the Directors may take such action as described in the section entitled "Benchmark Indices" in the Prospectus. Regardless of market conditions, the Fund aims to track the performance of the Benchmark Index and does not seek to outperform the Benchmark Index.

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

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

The Investment Manager's mandate as described in this Supplement and the Prospectus is to manage the Fund consistently with the Benchmark Index provided to the Investment Manager. Consequently, the Investment Manager does not provide any warranty or guarantee for index provider errors. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, particularly where the indices are less commonly used. Therefore gains, losses or costs associated with index provider errors will be borne by the Fund and its investors. For example, during a period where the Benchmark Index contains incorrect constituents, the Fund would have market exposure to such constituents and would be underexposed to the constituents that should have been included in the Benchmark Index. As such, errors may result in a negative or positive performance impact to the Fund and its investors. Investors should understand that any gains from index provider errors will be kept by the Fund and its investors and any losses resulting from index provider errors will be borne by the Fund and its investors.

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

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

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

Counterparty and trading risks

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

on an ongoing basis. The Company maintains an active oversight of counterparty exposure and the collateral management process. Counterparty exposure is subject to the investment restrictions in Schedule III of the Prospectus.

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

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

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

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

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

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

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

Investment in the PRC

PRC Economic Risks

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, due, among other factors, to greater market volatility, lower trading volume, political and economic instability, greater risk of market shut down, greater control of foreign exchange and greater 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 to be sensitive to relevant national interests. The PRC government and regulators may also intervene in the financial markets, such as by the imposition of trading restrictions, which may affect the trading of Chinese securities. The Chinese companies in which the 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 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 Fund's investments and increase the volatility and hence the risk of loss to the value of an investment in the Fund. Furthermore, market interventions may have a negative impact on market sentiment which may in turn affect the performance of the Benchmark Index and therefore the performance of the Fund.

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

These factors may increase the volatility of the Fund 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 the imposition of additional governmental restrictions including expropriation of assets, confiscatory taxes or nationalisation of some or all of the constituents of the Benchmark Index. Investors should also note that any change in the policies of the government and relevant authorities of the PRC may adversely impact the securities markets in the PRC as well as the performance of the Fund, as compared to its Benchmark Index.

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 do not have precedent value. Since 1979, the PRC government has been developing a comprehensive system of commercial law, and 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. Such regulations also empower the CSRC and SAFE to exercise discretion in their respective interpretation of the regulations, which may result in uncertainties in their application.

In addition, no assurance can be given that changes in the PRC laws and regulations, their interpretation or their enforcement will not, as the PRC legal system develops, have a material adverse effect on the Fund's onshore business operations or the ability of the Fund to acquire Chinese securities.

Potential market volatility risk

Investors should note that the Shanghai Stock Exchange and Shenzhen Stock Exchange on which China onshore bonds are traded are undergoing development. Market volatility may result in significant fluctuation in the prices of securities traded on such markets, which would therefore impact upon the Net Asset Value of the Fund.

Counterparty Risk to the sub-custodian in the PRC for PRC assets

Any China onshore bonds acquired by the Fund will be maintained by the PRC Sub-custodian through its delegate, the Local PRC Sub-custodian. The securities will be maintained in electronic form via securities accounts with the CDC and/or SCH in respect of bonds traded in the CIBM and securities accounts with the CSDCC in respect of China onshore bonds traded on the Shanghai and Shenzhen stock exchanges (where relevant). Cash will be held in Renminbi cash account(s) with the Local PRC Sub-custodian on deposit, in accordance with the sub-custody agreement with the Local PRC Sub-custodian. Further, such securities account(s) and Renminbi cash account(s) for the Fund in the PRC will be maintained in the name "BlackRock Advisors (UK) Limited – iShares China CNY Govt Bond UCITS ETF" in accordance with the relevant rules and regulations.

While the non-cash assets held in such securities account(s) are segregated from the assets of the Investment Manager and belong solely to the Fund (as beneficial owner), it is possible that this position may be interpreted by the PRC authorities differently in the future.

Cash held by the Local PRC Sub-custodian will be held on deposit (as banker) and will, in practice, not be segregated but will be a debt owing from the Local PRC Sub-custodian to the Fund as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Local PRC Sub-custodian. In the event of the insolvency of the Local PRC Sub-custodian, the Fund will not have any proprietary rights to the cash deposited in the cash account opened with the Local PRC Sub-custodian, and the Fund will become an unsecured creditor of the Local PRC Sub-custodian, ranking pari passu with all other unsecured creditors. The 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 Fund will lose some or all of their cash.

Under local PRC rules, the entity acting as the sub-custodian in the PRC (in particular, the Local PRC Sub-custodian) for the Fund when it invests in assets in the PRC under the RQFII Regime is also required to carry out certain additional duties as RQFII custodian outside the scope of the standard obligations of a bank providing local sub-custody services and outside the scope of a global custodian providing global custody services. For example, such duties include the provision of reporting to the PRC broker(s) which will rely on such information in executing trades for the Fund and the carrying out of error trade rectification procedures (with the PRC broker(s) and Investment Manager) to resolve any incorrect trade execution or settlement. In addition, the PRC rules require the entity acting as sub-custodian in the PRC to a fund investing in bonds traded in the CIBM to be appointed as the fund's interbank bond settlement agent to execute and settle transactions in bonds traded in the CIBM and such duties also fall outside its role as a sub-custodian. If an error is made by the Local PRC Sub-custodian in carrying out such duties which fall outside the Local PRC Sub-custodian's role as a sub-custodian, the Depositary will not have any liability for such error and the Fund will have the risk of incurring losses as a result of any such error on the part of the Local PRC Sub-custodian (as it would with other service providers).

Counterparty Risk to PRC broker(s)
The Investment Manager selects brokers in the PRC ("PRC Broker(s)") to execute transactions for the Fund in markets in the PRC.

There is a possibility that the Investment Manager may only appoint one PRC Broker for trading on each of the Shenzhen Stock Exchange and the Shanghai Stock Exchange for the Fund, which may be the same broker for both exchanges. While PRC regulation allows for up to three PRC Brokers to be appointed for a fund for trading on 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 regulatory requirement in the PRC that securities are sold through the same PRC Broker through which they were originally purchased. Should, for any reason, the Investment Manager be unable to use the relevant broker in the PRC selected to trade for the Fund on the Shenzhen Stock Exchange or the Shanghai Stock Exchange, the Investment Manager would be unable to purchase (and even sell) securities on the relevant stock exchange for the Fund and as such, the operation of the Fund would be adversely affected and may cause Shares in the Fund to trade at a premium or discount to its Net Asset Value or be unable to track its Benchmark Index. If a single PRC Broker is appointed, the Fund may not pay the lowest commission available in the market. However, the Investment Manager 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. The Investment Manager expects to trade all, or substantially all, of the underlying China onshore bonds for the Fund on the CIBM and the Fund is therefore less likely to be affected by this risk.

The Fund may 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.

There is a risk that the Fund may suffer losses from the default, insolvency or disqualification of a PRC Broker. In such event, the Fund may be adversely affected in the execution of transactions through such PRC Broker. As a result, the Net Asset Value of the Fund may also be adversely affected. To mitigate the Company's exposure to the PRC Broker(s), the Investment Manager employs specific procedures to ensure that each PRC Broker selected is a reputable institution and that the credit risk is acceptable to the Company.

Counterparty Risk to central depositaries for securities traded on stock exchanges in the PRC
Any securities acquired by the Fund on a stock exchange in the PRC will be maintained by the sub-custodian in the PRC in electronic form via securities accounts with the CSDCC in respect of China onshore bonds which are traded on the Shanghai and Shenzhen stock exchanges (where relevant). Securities traded on the Shanghai Stock Exchange and Shenzhen Stock Exchange are settled on trade date but cash is settled on trade date +1. This means that, on a sale of securities, the securities will be debited one business day prior to the corresponding cash movement. As a result, to the extent the Fund invests in China onshore bonds which are traded on the Shanghai and Shenzhen stock exchanges (as relevant), it will have overnight counterparty exposure to the CSDCC (as the central clearing participant) in respect of transactions on exchange.

Risks of trading suspensions, limits and other disruptions
All or substantially all of the underlying China onshore bonds for the Fund are expected to be traded on the CIBM. However, it is possible that such bonds could be traded for the Fund on the Shanghai and/or Shenzhen Stock Exchanges.

Liquidity for China securities will be impacted by any temporary or permanent suspensions of particular securities imposed from time to time by the Shanghai and/or Shenzhen Stock Exchanges or as a result of any regulatory or governmental intervention in relation to particular investments or the markets. Any such suspension may make it difficult for the Fund to acquire or liquidate positions in the relevant securities, which may also impact on the Net Asset Value of the Fund, may increase the tracking error of the Fund and may expose the Fund to losses.

The Shanghai and Shenzhen Stock Exchanges currently apply a daily limit, set at 10%, of the amount of fluctuation (both up and down) permitted in the prices of PRC securities during a single trading day. If a security triggers the "limit up" or "limit down" threshold on one of the stock exchanges, trading in such security on such stock exchange will be suspended for the rest of the trading day. The daily limit refers to price movements only and does not restrict trading within the relevant limit. In addition, companies listed on the Shanghai and/or Shenzhen Stock Exchanges may also halt (i.e. voluntarily suspend) trading of their securities on the stock exchanges. There can be no assurance that a liquid market on an exchange would exist for any particular PRC security or for any particular time. Any limit imposed on a PRC security held by the Fund may limit the ability of the Fund to invest in or liquidate positions in the relevant PRC security thereby potentially impacting on the Net Asset Value of the Fund and increasing tracking error.

If trading of particular China onshore securities held by the Fund are suspended (whether by the PRC stock exchanges or voluntarily by the issuers), the Fund will not be able to sell the suspended securities in order to meet redemptions. In such circumstances, the Fund is likely to sell a larger proportion of non-suspended securities to meet redemptions. Similarly, in such circumstances, the Fund will also not be able to purchase suspended securities to meet subscriptions and is likely to purchase a larger proportion of non-suspended securities to meet subscriptions. The continuation of such suspensions, especially in circumstances where redemptions exceed subscriptions or vice versa, could result in the Fund's investment portfolio deviating increasingly from the constituents and weighting of the Benchmark Index. This could increase the tracking error risk of the Fund, which is the risk that the performance of the Fund deviates increasingly from the performance of the Benchmark Index.

If a significant portion of the Fund's investments and/or the constituents of the Benchmark Index are restricted or suspended, the Fund may, in the sole discretion of the Directors, suspend the determination of the Net Asset Value and the issue and redemption of Shares of the Fund in accordance with the section entitled "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" on pages 160 to 161 of the Prospectus. In addition, where the last the closing or bid prices, as applicable, for suspended securities do not, in the opinion of the Manager, reflect their fair value or if prices are unavailable, the value will be calculated with care and in good faith by the Directors, or a competent person or firm appointed by the Directors and approved for that purpose by the Depositary, on the basis of the probable realisation value for such securities in accordance with the section titled "Valuation of the Funds" on pages 140 to 141 of the Prospectus. Any temporary suspension of the issue and redemption of Shares in the Fund may cause the Shares of the Fund to trade at a significant premium or discount to the Net Asset Value on any stock exchange on which they are admitted for trading.

Trading of China onshore bonds for the Fund on the CIBM will be heavily reliant on the China Foreign Exchange Trade System (CFETS). A disruption event on CFETS may delay or otherwise impact trades for the Fund on the CIBM, which in turn may increase the tracking error of the Fund.

Remittance and repatriation of Renminbi

Repatriations of Renminbi are not currently subject to any lock-up restrictions or prior regulatory approval, however, there are restrictions on the movement of onshore Renminbi offshore (see risk factor entitled "Onshore versus offshore Renminbi risk" for more detail). However, there is no assurance that PRC rules and regulations will not change or that repatriation restrictions will not be imposed in the future. Any restrictions on repatriation imposed may have an adverse effect on the Fund's ability to meet redemption requests.

At this time, the People's Bank of China (Hong Kong) Limited ("PBOC") is the only clearing bank for offshore Renminbi in Hong Kong. The remittance of Renminbi funds into the PRC and the repatriation of Renminbi funds out of the PRC is dependent on the operational systems and procedures developed by the PBOC for such purposes and there is no assurance that there will not be delays in remittance and/or repatriation which are outside of the control of the Company. The Fund is also dependant on the Depositary and the Local PRC Sub-custodian properly carrying out any required remittance of Renminbi into and out of the PRC. Any delays in, or restrictions imposed on, the remittance and/or repatriation of the Fund's cash into or out of the PRC will impact upon the Fund's ability to purchase underlying securities required in order to track effectively the Benchmark Index which may increase the level of tracking error. Such delays or restrictions could also delay or restrict the Fund's ability to purchase all the underlying securities required in connection with a subscription and also impact the Fund's ability to repatriate cash in connection with redemption requests. Any resultant market risk arising from such delays or restrictions may impact the subscription amounts payable, and redemption amounts receivable, by Authorised Participants.

If the Company is unable to repatriate funds required for the purpose of making redemption payments due or in periods during which there are difficulties or it is envisaged that there will be difficulties in the transfer of monies required for redemptions, the Fund may, in the sole discretion of the Directors, suspend the determination of the Net Asset Value and the issue and redemption of Shares of the Fund in accordance with the section entitled "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" on pages 160 to 161 of the Prospectus. Any temporary suspension of the issue and redemption of Shares in the Fund may cause the Shares of the Fund to trade at a premium or discount to the Net Asset Value on any stock exchange on which they are admitted for trading.

Onshore versus offshore Renminbi risk

The onshore Renminbi is the official currency of the PRC and is the currency of denomination for all financial transactions between individuals, state and corporations in the PRC. Hong Kong is the first jurisdiction to allow for the accumulation of Renminbi deposits outside the PRC. Since June 2010, the offshore market for Renminbi is traded officially and regulated jointly by the Hong Kong Monetary Authority and the PBOC. While both onshore Renminbi ("**CNY**") and offshore Renminbi ("**CNH**") are the same currency, the onshore and offshore markets in which they are traded are largely separate and independent and the movement of currency from one market to the other is highly restricted. CNY and CNH are traded at different rates and any movement may not be in the same direction. This is because CNY and CNH act in separate jurisdictions, which leads to separate supply and demand conditions for each, and therefore separate but related currency markets. As a result of strong demand in recent years for CNH, CNH has often traded at a premium to CNY. As a proportion of the Fund's Investments will be held in both CNH and CNY, the Fund may be exposed to the exchange rate differences between CNH and CNY and foreign exchange transaction costs associated with converting from CNH to CNY and vice versa.

Potential market volatility risk
Investors should note that the Shanghai Stock Exchange and Shenzhen Stock Exchange on which China onshore bonds are traded are undergoing development. Market volatility may result in significant fluctuation in the prices of securities traded on such markets, which would therefore impact upon the Net Asset Value of the Fund.

Prefunding and associated risks
As the Fund must, in accordance with the requirements in the PRC, have the full cash amount to cover the cost of the acquisition of underlying securities in CNY (onshore Renminbi) in the local Chinese sub-custody account with its Local PRC Sub-custodian prior to trading and / or settlement, each Authorised Participant requesting a subscription of shares in the Fund is required to deliver upfront a subscription amount ("**Prefunding Amount**") to cover the purchase by the Fund of underlying securities in connection with its subscription request, for the Authorised Participant's subscription request to be a valid application. The initial Prefunding Amount would be based on an estimated subscription price using estimated Duties and Charges. The final subscription price can be confirmed only once all the underlying PRC securities required to be purchased in connection with the subscription have been acquired by the Fund. If the Prefunding Amount is not in CNY (for example it may be provided in CNH (offshore Renminbi)), it must be subsequently converted to CNY to be remitted into the PRC for investment purposes.

Where any Prefunding Amount paid by an Authorised Participant is subsequently determined to have been in excess of the final subscription price (including final Duties and Charges) for the relevant Shares on the Dealing Day by reference to which the subscription was effected, the excess cash amount will be held in custody on a temporary basis and will be reimbursed to the relevant Authorised Participant as soon as practicable, net of any foreign exchange transaction cost associated with converting such amount from CNY to CNH (and to any other relevant currency) and repatriating such cash so that it can be paid to the Authorised Participant. The relevant Authorised Participant shall remain an unsecured creditor of the Fund in respect of the amount to be reimbursed ("**Reimbursement Amount**") until such time as the amount is paid to it. The Reimbursement Amount will remain subject to the risk factors described in the Prospectus for the duration of the period during which it remains in the PRC.

In the event that the Prefunding Amount is insufficient to purchase all the underlying securities in connection with the subscription, the Fund would not be able to acquire all the requisite underlying securities during the initial purchase and will need to carry out one or more further purchases on subsequent day(s). Similarly, if restrictions under PRC laws, regulations and/or stock exchange rules, or the suspension of trading of particular PRC securities, or a delay in the remittance of Renminbi into the PRC restrict the Fund from acquiring all the requisite underlying securities during the initial purchase (see risk factors entitled "RQFII investment restrictions risk*",* "Risks of trading suspensions, limits and other disruptions" and "Remittance and repatriation of Renminbi" for circumstances in which such restrictions may be triggered), the Fund will also need to carry out one or more further purchases on subsequent day(s). The market risk arising from the timing of the placement of further underlying trades and any delay in trading will be borne by the Authorised Participant. In the event of any funding shortfall, the Authorised Participant would be required to deliver, in accordance with the Fund's stated timeline and procedure (available from the Administrator and / or on the Electronic Order Entry Facility, as defined in the section entitled "Procedure For Dealing On The Primary Market"), additional sums to make up any funding shortfall to enable further purchases to be made until all the requisite underlying PRC securities have been acquired for the Fund. In order to reduce the risk of an Authorised Participant having to pay a funding shortfall and to protect the Fund, a buffer to cover expected market and foreign exchange volatility will be added to estimated Duties and Charges in the Prefunding Amount and any additional sums payable by the Authorised Participant to cover a funding shortfall. If an Authorised Participant fails to deliver additional sums to cover a funding shortfall after the Shares subscribed have been delivered to the Authorised Participant, the Company may need to temporarily borrow an amount to complete the purchase of underlying securities in connection with the subscription and charge the relevant Authorised Participant for the amount borrowed and any interest or other costs incurred as a result of this borrowing. Once payment has been received from the Authorised Participant, the Company will use this to repay the borrowings. In circumstances where additional sums are payable by an Authorised Participant to cover a funding shortfall after the Authorised Participant has received Shares subscribed in the Fund, the Fund will have a credit exposure as an unsecured creditor in respect of such additional sums.

The foreign exchange transaction costs associated with conversions made in relation to subscriptions and redemptions and the risk of a potential difference between the CNY and CNH rates (and between Renminbi and any other relevant currency in which subscriptions and redemptions are accepted) will be borne by the relevant Authorised Participant and included in the final Duties and Charges which are applied to the relevant subscription or redemption amounts paid or received (respectively) by such Authorised Participant. Authorised Participants should note that no interest will accrue on the relevant Reimbursement Amount and interest shall therefore not be payable by the Fund to the relevant Authorised Participant in respect of any such amount.

PRC government control of currency conversion and future movements in exchange rates
The existing PRC foreign exchange regulations have reduced PRC government foreign exchange controls, however, the PRC government continues to regulate the exchange of foreign currencies within the PRC. PRC law requires that all PRC securities transactions be settled in Renminbi, and places significant restrictions on the remittance of foreign currencies. There is no assurance that the PRC government will continue with its existing foreign exchange policy or when the PRC government will allow free conversion of Renminbi to foreign currency. Further, there is no assurance that there will always be sufficient amounts of Renminbi for Authorised Participants to deliver to the Fund on a subscription.

The Fund invests in China onshore bonds which are denominated in Renminbi, and in particular, they will be required to remit Renminbi to the PRC to settle the purchase of China onshore bonds. Various PRC companies derive their revenues in Renminbi but have requirements for foreign currency, including for the import of materials, debt service on foreign currency denominated debt; purchases of imported equipment and payment of any cash dividends declared in respect of shares listed outside of mainland China, e.g. China H Shares, Hong Kong (H shares) or the US

(N shares).

The existing PRC foreign exchange regulations have significantly reduced government foreign exchange controls for transactions under the current account, including trade and service related foreign exchange transactions and payment of dividends. However, the Investment Manager cannot predict whether the PRC government will continue its existing foreign exchange policy or when the PRC government will allow free conversion of the Renminbi to foreign currency.

Foreign exchange transactions currently continue to be subject to significant foreign exchange controls and require the approval of SAFE. While subscription and redemption requests for Shares from Authorised Participants will be accepted only in Renminbi at the time of launch of the Fund, they may subsequently be accepted in US Dollar. Since 1994, the conversion of Renminbi into US Dollar has been based on rates set by the People's Bank of China, which are set daily based on the previous day's PRC interbank foreign exchange market rate. No assurance can be given regarding the future stability of the Renminbi - US Dollar exchange rate. Fluctuations in exchange rates may adversely affect the Fund's Net Asset Value. The conversion of Renminbi into US Dollar and vice versa is subject to SAFE approvals and the conversion rate is based on a managed floating exchange rate system which allows the value of Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. There can be no assurance that the Renminbi exchange rate will not fluctuate widely against the US Dollar or any other foreign currency in the future.

Repatriation Delay
There is a risk that, if and when the Fund are wound up and terminated in the future, the Fund may be required to obtain tax clearance prior to repatriating its assets in the PRC out of the PRC for payment of liquidation proceeds. Any delay in obtaining such tax clearance may result in a delay in the ability of the Fund to pay liquidation proceeds to an investor.

Liquidity of China onshore bonds risk
The existence of a liquid trading market for China onshore bonds may depend on whether there is a readily available supply of, and corresponding demand for, China onshore bonds. The price at which China onshore bonds may be purchased or sold by the Fund, upon any rebalancing activities or otherwise, and the Net Asset Value of the Fund may be adversely affected if trading markets for the China onshore bonds are limited or absent. Investors should note that the CIBM and Shanghai and Shenzhen Stock Exchanges on which China onshore bonds are traded are undergoing continuing development and the market capitalisation of, and trading volumes on, those exchanges are lower than those in more developed financial markets. Market volatility and settlement difficulties in the China onshore bonds markets may result in significant fluctuation in the prices of securities traded on such markets and may consequently increase the volatility of the Net Asset Value of the Fund.

No Minimum Credit Rating
The Benchmark Index does not impose any minimum credit rating requirements on the Renminbi-denominated bonds to be included and will include such bonds regardless of their credit rating provided they are not in default. In the event that the PRC or any bond comprised within the Benchmark Index is downgraded to non-investment grade, the Benchmark Index will continue to hold such bond notwithstanding its downgrading. The Fund will similarly continue to hold such non-investment grade bond until such time as such non-investment grade bond cease to form part of the Fund's Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position. In the event that any of the bonds comprising the Benchmark Index are rated sub-investment grade, or which are unrated but judged to be of comparable quality with sub-investment grade bonds, they are likely to be more volatile than higher-rated bonds of similar maturity. Such bonds may also be subject to greater levels of credit or default risk than highly rated bonds and are more likely to react to developments affecting market and credit risk than more highly rated bonds. The value of such bonds can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and may be less liquid and more difficult to sell at an advantageous time or price.

Additional Currency FX Risk
The constituents of the Benchmark Index for the Fund are priced by the index provider in CNY. Until such time as the Fund is able to purchase the fixed income securities in CNY, the Fund will purchase the fixed income securities in CNH and any exchange rate differences between USD/CNY and USD/CNH will be included in the Duties and Charges that apply to Primary Market transactions. Investors who are not Authorised Participants should be aware that such costs may be passed onto them by Authorised Participants in the Secondary Market.

Risks specific to the Fund investing under the RQFII Regime

Index Tracking Risk - RQFII Regime
The Fund's return may deviate from the return of its Benchmark Index for various reasons, for example, the revocation, termination or other invalidation of the Investment Manager's RQFII Licence, the investment limitations imposed by PRC laws and regulations on the ability of RQFIIs (including the Investment Manager) to acquire onshore securities in certain PRC issuers from time to time, temporary or permanent suspension of particular securities imposed from time to time by stock exchanges or by issuers in the PRC, the liquidity of the underlying market, taxation implications, regulatory changes in the PRC that may affect the Investment Manager's ability to reflect the return of the Fund's Benchmark Index and any foreign exchange costs.

RQFII Regime general risk
Repatriations of Renminbi by RQFIIs are currently permitted once a day and are not currently subject to any lock-up restrictions or prior regulatory approval. The application and interpretation of such investment regulations are therefore 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 RQFII Regime. Any restrictions on repatriation imposed in respect of the Fund's cash may have an adverse effect on the Fund's ability to meet redemption requests. Any change in the RQFII Regime generally, including the possibility of the Investment Manager losing its RQFII status, may affect the Fund's ability to invest in China onshore bonds directly through the Investment Manager's RQFII Licence. Moreover, transaction sizes for RQFIIs are relatively large, which means there is a corresponding heightened risk of exposure to decreased market liquidity and significant price volatility, leading to possible adverse effects on the timing and pricing of acquisition or disposal of securities.

RQFII Licence

All or substantially all of the underlying China onshore bonds for the Fund are expected to be traded on the CIBM which can be accessed without the use of the Investment Manager's RQFII Licence. The capacity of the Fund to make investments in China onshore bonds under the RQFII Regime depends on the ability of the Investment Manager to maintain its RQFII Licence which may be affected if the Investment Manager loses its RQFII status. To the extent that the Investment Manager loses its RQFII Licence or regulations change such that the RQFII Regime is no longer available to the Investment Manager and the Investment Manager is not able to invest in China onshore bonds on the CIBM, the Fund may not be able to acquire additional China onshore bonds or other onshore instruments in the PRC and may result in the 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, save to the extent the Fund is able to invest via Bond Connect. In such circumstances, it may be more difficult for the Fund to achieve its investment objective and the Fund may need to obtain additional exposure to China onshore bonds indirectly, which may result in a negative or positive performance impact to the Fund and, by extension holders of its Shares, as compared to its Benchmark Index. In such an event, the Fund may invest via Bond Connect and/or use techniques to invest in securities or other instruments that are not constituents of its Benchmark Index, but which provide a similar exposure to the return of its Benchmark Index. These instruments may include offshore futures, shares in companies incorporated in the PRC but listed in Hong Kong, other exchange-traded funds that would provide a similar exposure or unfunded swap agreements, which are agreements whereby a counterparty agrees to provide the Fund with the returns of a specific exposure, i.e. the Benchmark Index, in return for a fee. Accordingly, there is a greater risk of tracking error, which may result in a negative or positive performance impact to the Fund and holders of its Shares.

Legal System of the PRC – The Fund investing under the RQFII Regime

The RQFII Custodian Agreement, which is required to be entered into by the Investment Manager (as the relevant RQFII Licence holder in respect of the Fund investing in assets in the PRC using the RQFII Regime) with the PRC Sub-custodian and the Local PRC Sub-custodian in order to satisfy the requirements of the RQFII rules, is governed by PRC law and hence there may be uncertainties in relation to the application and enforcement of the agreement. Further information on the RQFII Custodian Agreement is set out in the section entitled "Sub-Custodian in the PRC – Local PRC Sub-custodian" under "Management of the Company".

The rules and restrictions under the RQFII Regime generally apply to the Investment Manager as a whole and not simply to the investments made by the Fund. The PRC regulators are vested with the power to impose regulatory sanctions if the Investment Manager, the PRC Sub-custodian or the Local PRC Sub-custodian violates any provision of such rules or restrictions. Any violations could result in regulatory sanctions in respect of the Investment Manager as a whole and may adversely impact on investments made by the Fund.

RQFII investment restrictions risk

Investors should note that the relevant PRC laws and regulations may limit the ability of a RQFII, including the Investment Manager, to acquire China onshore bonds in certain PRC issuers from time to time. This may occur in a number of circumstances, such as (i) where the RQFII has investments in an aggregate of 10% of the total share capital of a listed PRC issuer (regardless of the fact that the investments may be for a number of different ultimate clients including the Fund), and (ii) where the aggregate investments in China onshore bonds of all QFIIs and RQFIIs (whether or not connected in any way to the Fund) already equal 30% of the total share capital of a listed PRC issuer. In the event that these limits are exceeded, the relevant QFIIs and RQFIIs will be required to dispose of the China onshore bonds in order to comply with the relevant requirements and, in respect of (ii), each QFII or RQFII will dispose of the relevant China onshore bonds on a "last in first out" basis. Where a situation arises which requires the Investment Manager to dispose of China onshore bonds for the Fund, the Fund may need to reject, scale back or postpone new subscription requests for Shares by Authorised Participants accordingly.

The PRC may introduce further limitations or restrictions on the foreign ownership of securities in the PRC, which may have adverse effects on the liquidity and the performance of the Fund. Such limitations and restrictions may restrict the Fund's ability to acquire the shares of one or more constituents of its Benchmark Index in accordance with the relevant weightings of the Benchmark Index and therefore may impact on the Fund's ability to track closely the performance of the Benchmark Index.

Risk of Investing in the China Interbank Bond Market

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

Investment in China Interbank Bond Market via Foreign Access Regime

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

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

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

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

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

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

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

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

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

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

The precise nature and rights of the Fund as the beneficial owner of the bonds traded in the China Interbank Bond Market through Central Moneymarkets Unit as nominee is not well-defined under PRC law. There is a lack of a clear definition of, and distinction between, legal ownership and beneficial ownership under PRC law and there have been few cases involving a nominee account structure in the PRC courts. The exact nature and methods of enforcement of the rights and interests of the Fund under PRC law are also uncertain. In the unlikely event that Central Moneymarkets Unit becomes subject to winding up proceedings in Hong Kong there is a risk of dispute on whether the bonds traded in the China Interbank Bond Market are held for the beneficial ownership of the Fund or as part of the general assets of Central Moneymarkets Unit available for general distribution to its creditors.

Volatility and Liquidity Risk
Market volatility and potential lack of liquidity due to low trading volume of certain bonds in the China Interbank Bond Market may result in prices of certain bonds traded on such market fluctuating significantly. The Fund investing in such market is therefore subject to liquidity and volatility risks. The bid-ask spreads of the prices of such securities may be large, and the Fund may therefore incur significant costs and may suffer losses when selling such investments. The bonds traded in the China Interbank Bond Market may be difficult or impossible to sell, which may impact the Fund's ability to acquire or dispose of such securities at their expected prices.

Regulatory Risks
Investing in the China Interbank Bond Market through Bond Connect is also subject to regulatory risks. The relevant rules and regulations are subject to change, which may have potential retrospective effect, and there can be no assurance that Bond Connect will not be discontinued or abolished. Furthermore, the securities regimes and legal systems of China and Hong Kong differ significantly and issues may arise based on these differences. In the event that the relevant authorities suspend account opening or trading on the China Interbank Bond Market, the Fund's ability to invest in the China Interbank Bond Market will be adversely affected and limited. In such event, the Fund's

ability to achieve its investment objective will be negatively affected and, after exhausting other trading alternatives, the Fund may suffer substantial losses as a result. Further, if Bond Connect is not operating, the Fund may not be able to acquire or dispose of bonds through Bond Connect in a timely manner, which could adversely affect the Fund's performance.

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 Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where the Fund invests in the China Interbank Bond Market through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems.

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

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

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

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

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

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

<u>Specific investment risks for the Fund</u>

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

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

Depository Notes
GDNs are designed to offer exposure to their underlying securities.

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

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk that the value of the GDN will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Investment Manager cannot, or it is not appropriate to, invest in a GDN, or the characteristics of the GDN do not exactly reflect the underlying security.

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

Illiquidity of Bonds Close to Maturity
In addition to the liquidity risks of bonds already described above, there is a risk that bonds which are nearing maturity may become illiquid. In such cases, it may become more difficult to achieve fair value on the purchase and sale thereof.

Fixed Income Transferable Securities
Debt securities are subject to both actual and perceived measures of creditworthiness. The amount of credit risk may be assessed using the issuer's credit rating which is assigned by one or more independent rating agencies. This does not amount to a guarantee of the issuer's creditworthiness but provides an indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. Companies often issue securities which are ranked in order of seniority which in the event of default would be reflected in the priority in which investors might be paid back. The "downgrading" of an investment grade rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. The Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect the Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, the Fund may experience losses and incur costs.

Duration Risk
As the Fund invests in bonds it is subject to the risk that the value of its investments will change due to a change in the level of interest rates. Rising interest rates will lead to falling bond prices, while declining interest rates will lead to rising bond prices. Duration is a measure of the sensitivity of the price (the value of principal) of a bond to a change in interest rates and is expressed in number of years.

Recent Market Events
Periods of market volatility may occur in response to various political, social and economic events both within and outside of the United States. These conditions have resulted in, and in many cases continue to result in, greater price volatility, less liquidity, widening credit spreads and a lack of price transparency, with many securities remaining illiquid and of uncertain value. Such market conditions may adversely affect the Fund, including by making valuation of some of the 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 the 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 the 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, the 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 the Fund's ability to achieve its investment objective(s).

Impact of Natural or Man-Made Disasters and Disease Epidemics
Certain regions are at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organized public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored and operations of the portfolio company can be resumed. 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 Fund. For example, an outbreak of respiratory disease caused by a novel coronavirus was first detected in December 2019 and then spread globally. This coronavirus has resulted in borders closing, restrictions on movement of people, quarantines, cancellations of transportation and other services, disruptions to supply chains, businesses and customer activity, as well as general concern and uncertainty. It is possible that there may be similar outbreaks of other infectious diseases in the future. The impact of this coronavirus, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. In addition, the impact of infectious diseases in emerging developing or emerging market countries may be greater due to less established health care systems. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. The impact of the outbreak may be short term or may last for an extended period of time. Such events could increase volatility and the risk of loss to the value of your investments.

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

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

Money Market Risk
The Company, with a view to mitigating credit exposure to depositaries, may arrange for cash holdings of the Company to be placed into money market collective investment schemes, including other funds of the BlackRock Group. A money market collective investment scheme which invests a significant amount of its assets in money market instruments may be considered as an alternative to investing in a regular deposit account. However, a holding in such a scheme is subject to the risks associated with investing in a collective investment scheme and, while a money market collective investment scheme is designed to be a relatively low risk investment, it is not entirely free of risk. Despite the short maturities and high credit quality of investments of such schemes, increases in interest rates and deteriorations in the credit quality can reduce the scheme's yield and the scheme is still subject to the risk that the value of such scheme's investment can be eroded and the principal sum invested will not be returned in full.

Securities Lending Risk
The Company engages in a securities lending programme through the Investment Manager. In order to mitigate the credit risk exposure to the counterparties to any securities lending contract, the lending of the Fund's securities must be 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 Fund's securities lent plus a premium. The Fund's securities can be lent to counterparties over a period of time. The risks of securities lending include the risk that a borrower may not provide additional collateral when required or may not return the securities when due. 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. To the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), the Company will have a credit risk exposure to the counterparties to the securities lending contracts. To mitigate these risks, the Company benefits from a borrower default indemnity provided by BlackRock, Inc. The indemnity allows for full replacement of the securities lent if the collateral received does not cover the value of the securities loaned in the event of a borrower default.

Investors should note that a limitation of maximum securities lending levels by the Fund, at a time when demand exceeds those maximum levels, may reduce potential income to the Fund that is attributable to securities lending. Please refer to the section headed "Efficient Portfolio Management" in the Prospectus for further detail.

Currency Risk
The Base Currency of the Fund is chosen to match the base currency in which its Benchmark Index is valued. In addition, the Fund has Share Classes which have different Valuation Currencies from the Base Currency of the Fund. Consequently, the Investments of a Share Class may be acquired in currencies which are not the Valuation Currency of the Share Class.

For Unhedged Share Classes, the fact that their Valuation Currencies and the currency of the Fund's Investments may differ may cause the cost of purchasing such Investments to be affected favourably or unfavourably by fluctuations in the relative exchange rates of the different currencies.

Settlement through an International Central Securities Depositary

Inaction by the Common Depositary and/or an International Central Securities Depositary
Investors that settle or clear through an International Central Securities Depositary will not be a registered Shareholder in the Company, they will hold an indirect beneficial interest in such Shares and the rights of such investors, where Participants, shall be governed by their agreement with the applicable International Central Securities Depositary and otherwise by the arrangement with a Participant of the International Central Securities Depositary (for example, their nominee, broker or Central Securities Depositaries, as appropriate). The Company will issue any notices and associated documentation to the registered holder of the Global Share Certificate, the Common Depositary's Nominee, with such notice as is given by the Company in the ordinary course when convening general meetings. The Common Depositary's Nominee has a contractual obligation to relay any such notices received by the Common Depositary's Nominee to the Common Depositary which, in turn, has a contractual obligation to relay any such notices to the applicable International Central Securities Depositary, pursuant to the terms of its appointment by the relevant International Central Securities Depositary. The applicable International Central Securities Depositary will in turn relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Directors understand that the Common Depositary is contractually bound to collate all votes received from the applicable International Central Securities Depositaries (which reflects votes received by the applicable International Central Securities Depositary from Participants) and that the Common Depositary's Nominee is

obligated to vote in accordance with such instructions. The Company has no power to ensure the Common Depositary relays notices of votes in accordance with their instructions. The Company cannot accept voting instructions from any persons, other than the Common Depositary's Nominee.

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

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

Risks specific to investing in Currency Hedged Share Classes

Currency Hedged Share Classes
Investors should be aware that currency hedging may adversely affect the returns on their investment due to transaction costs and spreads, market inefficiency, risk premia and other factors which may be material in the case of certain currencies and/or over the long term.

Currency Hedged Share Classes use forward FX contracts and spot FX contracts to reduce or minimise the risk of currency fluctuations between its underlying portfolio currency exposures and its Valuation Currency. In circumstances where the Valuation Currency of a Currency Hedged Share Class is generally strengthening against the currency exposures being hedged (i.e. the underlying portfolio currency exposures of a Currency Hedged Share Class), currency hedging may protect investors in the relevant Share Class against such currency movements. However, where the Valuation Currency of a Currency Hedged Share Class is generally weakening against the currency exposures being hedged, currency hedging may preclude investors from benefiting from such currency movements. Investors should only invest in a Currency Hedged Share Class if they are willing to forego potential gains from appreciations in the underlying portfolio currency exposures of a Currency Hedged Share Class against the Currency Hedged Share Class' Valuation Currency.

While currency hedging is likely to reduce currency risk in the Currency Hedged Share classes, it is unlikely to completely eliminate currency risk.

Currency Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could reduce the ability of the Currency Hedged Share Class to reduce its currency risk and the volatility of such Currency Hedged Share Class.

Currency Hedged Share Classes use a currency hedging approach whereby the hedge is proportionately adjusted for net subscriptions and redemptions in the relevant Currency Hedged Share Class. An adjustment is made to the hedge to account for the price movements of the underlying securities held for the relevant Currency Hedged Share Class, corporate events affecting such securities, or additions, deletions or any other changes to the underlying portfolio holdings for the Currency Hedged Share Class, however, the hedge will only be reset or adjusted on a monthly basis and as and when a pre-determined tolerance is triggered intra-month, and not whenever there is market movement in the underlying securities. In any event, any over-hedged position arising in a Currency Hedged Share Class will be monitored daily and is not permitted to exceed 105% of the Net Asset Value of that Share Class as prescribed by the Central Bank UCITS Regulations. Under-hedged positions shall not fall short of 95% of the portion of the Net Asset Value of the relevant Currency Hedged Share Class that is to be hedged against currency risk.

The aggregate gain or loss arising from the hedging positions of a Currency Hedged Share Class will be reduced by an adjustment to some or all of the currency hedges only on a monthly basis and as and when the aggregate exceeds a pre-determined tolerance intra-month as determined by the Investment Manager, and not whenever there is an aggregate gain or loss. When a gain or loss from a currency hedge is adjusted, either the gain will be reinvested into underlying securities or the underlying securities will be sold to meet the loss. In the event that there is a loss on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have an exposure to securities which will exceed its Net Asset Value as its Net Asset Value comprises both the value of its underlying securities plus the unrealised loss on its foreign currency hedge. Conversely, in the event that there is a gain on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have a lower exposure to securities than its Net Asset Value as, in this case, its Net Asset Value will include an unrealised gain on the foreign currency hedge. When the foreign currency hedge is adjusted or reset, any such difference will be materially addressed.

The Investment Manager will monitor the currency exposure and gain or loss arising from hedge positions of each Currency Hedged Share Class against the pre-determined tolerances daily and will determine when a currency hedge should be reset and the gain or loss arising from the currency forwards reinvested or settled, while taking into consideration the frequency and associated transaction and reinvestment costs of resetting the currency forwards. When a pre-determined tolerance threshold for a Currency Hedged Share Class is triggered as at the close of a

Business Day, the relevant currency hedge will be reset or adjusted only on the next Business Day (on which the relevant currency markets are open); therefore, there could be a Business Day's lag prior to the hedge position being reset or adjusted.

The triggers for resetting and adjusting the hedge are pre-determined by the Investment Manager and periodically reviewed for appropriateness. Other than this periodic adjustment of the tolerance levels, the Investment Manager has no discretion to alter or vary the hedging methodology used by the relevant Currency Hedged Share Class (other than in exceptional market circumstances where the Investment Manager believes that it would be in investors' interests to reset or adjust the hedge before the trigger levels are exceeded, or not reset or adjust the hedge if they are exceeded).

Risks specific to use of FDI

FDI Risks
The Fund may use FDI for the purposes of efficient portfolio management or, where stated in its investment policy, for direct investment purposes. Such instruments involve certain special risks and may expose investors to an increased risk of loss. These risks may include credit risk with regard to counterparties with whom the Fund trades, the risk of settlement default, lack of liquidity of the FDI, imperfect tracking between the change in value of the FDI and the change in value of the underlying asset that the Fund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when purchasing FDI, the Fund may be required to secure its obligations to its counterparty. For non-fully funded FDI, this may involve the placing of initial and/or variation margin assets with the counterparty. For FDI which require the 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 Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of an FDI may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the FDI only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under an FDI up to such minimum transfer amount. A default by the counterparty in such circumstances will result in a reduction in the value of the Fund and thereby a reduction in the value of an investment in the Fund.

Additional risks associated with investing in FDI may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where the Fund's credit exposure to its counterparty under a FDI is not fully collateralised but the Fund will continue to observe the limits set out in paragraph 2.8 of Schedule III of the Prospectus. The use of FDI may also expose the Fund to legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

Other general risks

Fund Liability Risk
The Company is structured as an umbrella fund with segregated liability between its funds. As a matter of Irish law, the assets of one fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability. As at the date of this Supplement, the Directors are not aware of any such existing or contingent liability.

Fund with Multiple Share Classes
While assets and liabilities that are specific to a Share Class within the Fund would be attributable to (and should be borne by) only that Share Class, there is no segregation of liabilities between Share Classes as a matter of Irish law. Due to the lack of segregation of liabilities as a matter of law, there is a risk that the creditors of a Share Class may bring a claim against the assets of the Fund notionally allocated to other Share Classes.

In practice, cross liability between Share Classes is only likely to arise where the aggregate liabilities attributable to a Share Class exceed the aggregate assets of the Fund notionally allocated to that Share Class. Such a situation could arise if, for example, there is a default by a counterparty in respect of the Fund's investments. In these circumstances, the remaining assets of the Fund notionally allocated to other Share Classes of the same Fund may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable to holders of Shares of such other Share Classes.

Fund with One or More Currency Hedged Share Classes
Currency Hedged Share Classes hedge their currency exposure using forward FX contracts and spot FX contracts. All gains, losses and expenses arising from hedging transactions for a particular Currency Hedged Share Class are attributed only to that Currency Hedged Share Class and should generally be borne only by the investors in that Share Class. However, given that there is no segregation of liabilities between Share Classes under law, there is a risk that, if the assets notionally allocated to a Currency Hedged Share Class are insufficient to meet the losses arising from its hedging transactions (in addition to other fees and expenses attributable to such Share Class), the losses arising from the hedging transactions for such Share Class could affect the Net Asset Value per Share of one or more other Share Classes of the Fund.

Insufficiency of Duties and Charges
The Fund levies Duties and Charges in order to defray the costs associated with the purchase and sale of Investments. The level of Duties and Charges may be determined by the Manager in advance of the actual purchase or sale of Investments or execution of associated foreign exchange. It may be estimated based on historic information concerning the costs incurred in trading the relevant securities in the relevant markets. This figure is reviewed periodically and adjusted as necessary. If the Fund levies Duties and Charges which are insufficient to discharge all of the costs incurred in the purchase or sale of Investments, the difference will be paid out of the assets of the Fund, which, pending the reimbursement of the shortfall by an Authorised Participant, will result in a reduction in the value of the Fund (and a corresponding reduction in the value of each Share). In circumstances where Shares subscribed have been issued to an Authorised Participant prior to the receipt by the Fund from the Authorised Participant of the full costs incurred or to be incurred by the Fund in acquiring underlying investments attributable to a subscription, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall. Similarly, in circumstances where redemption proceeds have been paid to the Authorised Participant prior to the deduction from such proceeds of the full costs incurred or to be incurred by the Fund in disposing of underlying investments attributable to a redemption, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall.

Failure to Settle
If an Authorised Participant submits a dealing request and subsequently fails or is unable to settle and complete the dealing request, the Company will have no recourse to the Authorised Participant other than its contractual right to recover such costs. In the event that no recovery can be made from the Authorised Participant and any costs incurred as a result of the failure to settle will be borne by the Fund and its investors.

Taxation Risks
Potential investors' attention is drawn to the taxation risks associated with investment in the Company. See sections headed "Taxation" in the Prospectus and this Supplement.

Changes in taxation legislation may adversely affect the Fund.

The tax information provided in the "Taxation" sections is based, to the best knowledge of the Company, upon tax law and practice as at the date of this Supplement. Tax legislation, the tax status of the Company and the Fund, the taxation of investors and any tax relief, and the consequences of such tax status and tax relief, may change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where the Fund is registered, cross-listed, marketed or invested could affect the tax status of the Company and the Fund, affect the value of the Fund's Investments in the affected jurisdiction, affect the Fund's ability to achieve its investment objective, and/or alter the post tax returns on Shares held. Where the Fund invests in FDI, the preceding sentence may also extend to the jurisdiction of the governing law of the FDI contract and/or the FDI counterparty and/or to the market(s) comprising the underlying exposure(s) of the FDI.

The availability and value of any tax relief available to investors depend on the individual circumstances of investors. The information in the “Taxation” section in the Prospectus and this Supplement is not exhaustive and does not constitute legal or tax advice. Prospective investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Fund.

Withholding tax reclaims

The Company may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value of the Shares.

The Company (or its representative) may file claims on behalf of the Fund 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 the 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 the Fund based on a continuous assessment of probability of recovery, the Net Asset Value of the Fund generally includes accruals for such tax refunds. The Company continues to evaluate tax developments for potential impact to the probability of recovery for the Fund. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation or approach, accruals in the Fund’s Net Asset Value for such refunds may need to be written down partially or in full, which will adversely affect the Fund’s Net Asset Value. Investors in the Fund at the time an accrual is written down will bear the impact of any resulting reduction in Net Asset Value regardless of whether they were investors during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, investors in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund’s Net Asset Value. Investors who disposed of their interest in Shares prior to such time will not benefit from such Net Asset Value increase.

Treatment of tax by index providers

Investors should be aware that the performance of the Fund, as compared to the Benchmark Index, may be adversely affected in circumstances where the assumptions about tax made by the relevant index provider in their index calculation methodology, differ to the actual tax treatment of the underlying securities in the Benchmark Index held within the Fund.

FATCA
Investors should also read the information set out under the heading "FATCA and other cross-border reporting systems" in the Prospectus, particularly in relation to the consequences of the Company being unable to comply with the terms of such reporting systems.

Dealing Day Risk
As foreign exchanges can be open on days when the Fund may have suspended calculation of its Net Asset Value and the subscription and redemption of Shares and, therefore, Shares in the Fund are not priced, the value of the securities in the Fund's portfolio may change on days when the Fund's Shares will not be able to be purchased or sold.

Liquidity Risk
The Fund's investments may be subject to liquidity constraints, which means they may trade less frequently and in small volumes. Securities of certain types, such as bonds and mortgage-backed instruments, may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the price at which it has been valued for the purposes of calculating the Net Asset Value of the Fund or at a value considered to be fairest. Reduced liquidity of the Fund's investments may result in a loss to the value of your investment.

Share Subscriptions and Redemptions
Provisions relating to the redemption of Shares grant the Company discretion to limit the amount of Shares available for redemption on any Dealing Day to 10% of the Shares in issue in respect of the Fund and, in conjunction with such limitations, to defer or pro rate such redemption requests. In addition, where requests for subscription or redemption are received late, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

Trading Currency Exposure
Shares may be traded in various currencies on various stock exchanges. In addition, subscriptions and redemptions of Shares in the Fund will ordinarily be made in the Valuation Currency of the Shares and may in some cases be permitted in other currencies. Depending on the currency in which an investor invests in the Fund, foreign exchange fluctuations between the currency of investment, the Valuation Currency of the Shares and the Base Currency of the Fund will have an impact on, and may adversely affect, the value of such investor's investments.

Temporary Suspension
Investors are reminded that in certain circumstances their right to redeem Shares may be temporarily suspended. Please see 'Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching' in the Prospectus.

Valuation Risk
Certain assets of the Fund may become illiquid and/or not publicly traded. Such securities and financial instruments may not have readily available prices and may therefore be difficult to value. The Manager, Investment Manager or Administrator may provide valuation services (to assist in calculating the Net Asset Value of the Fund) in relation to such securities and financial instruments. Investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated valuation of the securities the higher the fees payable to the Manager, Investment Manager or Administrator. Please see "Conflicts of Interests - General" in the Prospectus for details of how the Company deals with conflicts. In addition, given the nature of such Investments, determinations as to their fair value may not represent the actual amount that will be realised upon the eventual disposal of such Investments.

Operational Risk
The Company is exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of the Company's service providers, counterparties or other third parties, failed or inadequate processes and technology or systems failures. The Manager seeks to reduce these operational risks through controls and procedures and, through its monitoring and oversight of other service providers to the Company, also seeks to ensure that such service providers take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors. However, it is not possible for the Manager and other service providers to identify and address all of the operational risks that may affect the Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

The 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 Manager and other service providers to the Company 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 Manager seeks to minimise operational errors as set out above, there may still be failures that could cause losses to the Fund and reduce the value of the Fund.

DEALINGS IN THE FUND

The Fund is an exchange traded fund which means that the Shares of the Fund are listed on one or more stock exchanges. Certain market makers and brokers are authorised by the Company to deal in Shares of the Fund in the Primary Market and they are referred to as "Authorised Participants". Such Authorised Participants have the capability to ensure delivery of the Shares of the Fund within the International Central Securities Depositary relevant to the stock exchanges on which the Shares are listed. Authorised Participants usually sell the Shares they acquire on one or more stock exchanges, the Secondary Market, where such Shares become freely tradable. Potential investors who are not Authorised Participants can purchase and sell Shares of the Fund on the Secondary Market through a broker/dealer on a recognised stock exchange or OTC. For further details of such brokers please contact the Investment Manager.

Authorised Participants dealing on the Primary Market should refer to the section below titled "Procedure for Dealing on the Primary Market" set out below. Investors who are not Authorised Participants should refer to the "Procedure for Dealing on the Secondary Market" section detailed at pages 154 to 155 of the Prospectus.

The PRC is a prefunding market, which means that PRC securities can only be purchased on a pre-funded basis.

In relation to the acquisition of PRC securities, the Fund must, in accordance with the requirements in the PRC, have the full cash amount to cover the cost of the acquisition of PRC securities in CNY (onshore Renminbi) in the local Chinese sub-custody account with its Local PRC Sub-custodian prior to trading and / or settlement in order for the Investment Manager to place trades to acquire underlying PRC securities in respect of subscription requests.

Accordingly, each Authorised Participant requesting a subscription of shares in the Fund is required to deliver upfront a subscription amount ("Prefunding Amount") to cover the purchase by the Fund of underlying PRC securities in connection with its subscription request, for the Authorised Participant's subscription request to be a valid application. The initial Prefunding Amount would be based on an estimated subscription price using estimated Duties and Charges. The final subscription price can be confirmed only once all the underlying PRC securities required to be purchased in connection with the subscription have been acquired by the Fund. If the Prefunding Amount is not in CNY (for example it may be provided in CNH (offshore Renminbi)), it must be subsequently converted to CNY to be remitted into the PRC for investment purposes.

In circumstances where any Prefunding Amount paid by an Authorised Participant is subsequently determined to have been in excess of the final subscription price (including final Duties and Charges) for the relevant Shares on the Dealing Day by reference to which the subscription was effected, the excess cash amount will be held in custody on a temporary basis and will be reimbursed to the relevant Authorised Participant as soon as practicable, net of any foreign exchange transaction cost associated with converting such amount from CNY to CNH (and to any other relevant currency) and repatriating such cash so that it can be paid to the Authorised Participant.

In the event that the Prefunding Amount is insufficient to purchase all the underlying securities in connection with the subscription, the Fund would not be able to acquire all the requisite underlying securities during the initial purchase and will need to carry out one or more further purchases on subsequent days. Similarly, if restrictions under PRC laws, regulations and/or stock exchange rules, or the suspension of trading of particular PRC securities, or a delay in the remittance of Renminbi into the PRC restrict the Fund from acquiring all the requisite underlying securities during the initial purchase (see sections titled "RQFII investment restrictions risk", "Risks of trading suspensions, limits and other disruptions" and "Remittance and repatriation of Renminbi" in the "Risk Factors" section for circumstances in which such restrictions may be triggered), the Fund will also need to carry out one or more further purchases on subsequent day(s). The market risk arising from the timing of the placement of further underlying trades and any delay in trading will be borne by the Authorised Participant. In the event of any funding shortfall, the Authorised Participant would be required to deliver, in accordance with the Fund's stated timeline and procedure (available from the Administrator and/or on the Electronic Order Entry Facility), additional sums to make up any funding shortfall to enable further purchases to be made until all the requisite underlying PRC securities have been acquired for the Fund. In order to reduce the risk of an Authorised Participant having to pay a funding shortfall and to protect the Fund and its holders of their Shares, a buffer to cover expected market and foreign exchange volatility may be added to estimated Duties and Charges in the Prefunding Amount and any additional sums payable by the Authorised Participant to cover a funding shortfall. Details on the estimated Duties and Charges and the Prefunding Amount may be obtained from the Administrator.

The foreign exchange transaction costs associated with conversions made pursuant to subscriptions and redemptions and the risk of a potential difference between the CNY and CNH rates (and between Renminbi or any other relevant currency in which subscriptions and redemptions are accepted) will be borne by the relevant Authorised Participant and included in the final Duties and Charges which are applied to the relevant subscription or redemption amounts paid or received (respectively) by such Authorised Participant. Authorised Participants should note that no interest will accrue on the relevant Reimbursement Amount and interest shall therefore not be payable by the Fund to the relevant Authorised Participant in respect of any such amount.

In the event that an Authorised Participant fails to deliver the Prefunding Amount in full within the stated prefunding time for the Fund (available from the Administrator and/or on the Electronic Order Entry Facility), the subscription application shall not be valid and the Company and/or Investment Manager reserves the right (but shall not be obliged) to reject or cancel the relevant subscription application. In the event that a subscription application is not accepted, any subscription amount already paid by the Authorised Participant to the Fund will be returned to the Authorised Participant (without any interest and less any foreign exchange transaction cost and other transaction costs incurred).

PROCEDURE FOR DEALING ON THE PRIMARY MARKET

Initial Offer of Shares

Shares listed in the Current Share Classes as set out in the tables below under the heading "Current Share Classes" will initially be offered between 9.00 a.m. (Irish time) on 11 March 2021 and 12.00 noon (Irish time) on 10 September 2021 (which period may be shortened, extended, changed to an earlier date, or changed to a later date by the Directors) and at a fixed price per Share equal to 5 units of the relevant currency (e.g. USD5) or such other amount determined by the Investment Manager at the relevant time and communicated to investors prior to investment.

Account Opening Forms for first time Authorised Participants and Dealing Forms must be received during the initial offer period noted above to receive the initial offering price. Arrangements must also be made by that date for the settlement of the transfer of Investments and cash payments within the settlement times available on the Electronic Order Entry Facility (which can range from one to four Business Days).

It is expected that trading in the Shares will commence on or about 10 September 2021, and the Shares will be admitted to trading upon issue.

Shares will be issued for a price to be satisfied in cash or in kind, together with any applicable Duties and Charges, as described under the heading "Procedure for Dealing on the Primary Market" in the Prospectus. The initial Portfolio Composition File will be available upon request from the Administrator.

Subscriptions and Redemptions after the Initial Offer

Shares may be subscribed at the Net Asset Value per Share together with associated Duties and Charges which may be varied to reflect the cost of execution. Shares may be redeemed at the Net Asset Value per Share less any associated Duties and Charges which may be varied to reflect the cost of execution. The Articles empower the Company to charge such sum as the Manager considers represents an appropriate figure for Duties and Charges. The level and basis of calculating Duties and Charges may also be varied depending on the size of the relevant dealing request and the costs relating to, or associated with, the primary market transactions. Where Authorised Participants subscribe for or redeem Shares in cash in a currency that is different from the currencies in which the Fund's underlying investments are denominated, the foreign exchange transaction costs associated with converting the subscription amount to the currencies needed to purchase the underlying investments (in the case of a subscription) or converting the sale proceeds from selling the underlying investments to the currency needed to pay redemption proceeds (in the case of a redemption) will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

Where Authorised Participants subscribe for or redeem shares in a Currency Hedged Share Class, the transaction costs associated with increasing (in the case of a subscription) or decreasing (in the case of a redemption) such hedge will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

In some cases, the level of Duties and Charges has to be determined in advance of the completion of the actual purchase or sale of Investments or execution of associated foreign exchange by or on behalf of the Company and the subscription or redemption price may be based on estimated Duties and Charges (which could be based on historic information concerning the costs incurred or expected costs in trading the relevant securities in the relevant markets). Where the sum representing the subscription or redemption price is based on estimated Duties and Charges which turn out to be different to the costs actually incurred by the Fund when acquiring or disposing of Investments as a result of a subscription or redemption, the Authorised Participant shall reimburse the Fund for any shortfall in the sum paid to the Fund (on a subscription) or any excess sum received from the Fund (on a redemption), and the Fund shall reimburse the Authorised Participant for any excess received by the Fund (on a subscription) or any shortfall paid by the Fund (on a redemption), as the case may be. Authorised Participants should note that no interest will accrue or be payable on any amount reimbursed or to be reimbursed by the Fund. In order to protect the Fund and holders of its Shares, the Company and the Manager reserve the right to factor into the estimated Duties and Charges a buffer to protect the Fund from potential market and foreign exchange exposure pending the payment of the actual Duties and Charges.

Dealing orders will normally be accepted in multiples of the minimum number of Shares. Such minima may be reduced or increased in any case at the discretion of the Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum dealing order amounts for the Fund. Detail in relation to the Valuation Point and cut-off times for the Fund are also set out in the Primary Market dealing timetable below. Details of the dealing cut-off times for dealing orders are also available from the Administrator. There is no minimum holding requirement for the Fund as at the date of this Supplement.

Applications for Shares in the Fund received after the times listed in the dealing timetable will generally not be accepted for dealing on the relevant Dealing Day. However, such applications may be accepted for dealing on the relevant Dealing Day, at the discretion of the Company, Manager or the Investment Manager, in exceptional circumstances, provided they are received prior to the Valuation Point. Settlement of the transfer of Investments and/or cash payments in respect of dealing orders must take place within a prescribed number of Business Days after the Dealing Day (or such earlier time as the Manager may determine in consultation with the Authorised Participant). Authorised Participants should refer to the Electronic Order Entry Facility for details of the maximum and minimum settlement times (which can range from one to four Business Days) in respect of subscriptions and redemptions. If a Significant Market is closed for trading or settlement on any Business Day during the period between the relevant Dealing Day and the expected settlement date (inclusive), and/or settlement in the base currency of the

Fund is not available on the expected settlement date, there may be corresponding delays to the settlement times (but such delays will not exceed the regulatory requirements for settlement).

Title to Shares
As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. Shares will be held by the Common Depositary's Nominee (as registered holder) in registered form. Only persons appearing on the register of Shareholders (i.e. the Common Depositary's Nominee) will be a Shareholder. Fractional Shares will not be issued. No temporary documents of title or Share certificates will be issued, other than Global Share Certificate required for the International Central Securities Depositaries. The Administrator will also send a trade confirmation to Authorised Participants. Potential investors should refer to the section in the Prospectus titled "Global Clearing and Settlement" for details of the settlement system and the relative rights of investors through such settlement system.

Details in relation to applying for and redeeming Shares and other general information concerning dealing is set out in the Prospectus under the following headings:

Section Heading in Prospectus	**Page number in Prospectus**
Dealings in the Company	142
Procedure for Dealing on the Primary Market	143
Portfolio Composition File	143
Dealings in Kind, in Cash and Directed Cash Dealings	143
Failure to Deliver	153
Procedure for Dealing on the Secondary Market	154
Switching	158
Transfer of Shares	159
Confirmations	159
Mandatory Redemption of Shares	159
Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching	160

MANAGEMENT OF THE FUND

Sub-Custodian in the PRC – Local PRC Sub-custodian

As referred to in "The Depositary" section of the Prospectus, the Depositary has appointed the Global Depositary as its global sub-custodian in respect of safekeeping of the assets of the Company (including the Fund). The Global Depositary has in turn entered into a sub-custody agreement with the PRC Sub-custodian pursuant to which the PRC Sub-custodian has been appointed 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"). The PRC Sub-custodian has appointed the Local PRC Sub-custodian as its delegate to provide custodian services in respect of assets of the Fund in the PRC.

Notwithstanding that the Global 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 Fund, held in the PRC (as described above), RQFII rules separately require that every RQFII Licence holder must appoint a local RQFII custodian for the purposes of safe-keeping the investments and holding the cash in connection with the RQFII Regime and for the purpose of coordinating relevant foreign exchange requirements. Therefore, in order to satisfy the requirements of the RQFII rules, the Investment Manager (as the RQFII Licence holder) has entered into the RQFII Custodian Agreement with the PRC Sub-custodian and the Local PRC Sub-custodian to appoint the PRC Sub-custodian, acting through Local PRC Sub-custodian, to provide local RQFII custodian services in respect of assets of the Fund in the PRC acquired through the RQFII Regime.

The Depositary has confirmed that it has put in place arrangements to ensure that the assets of the Fund in China are taken into custody by the PRC Sub-custodian, and that the assets of the Fund held by the PRC Sub-custodian (through the Local PRC Sub-custodian) are held for and on behalf of the Company. The Depositary and PRC Sub-custodian have also acknowledged that, notwithstanding the appointment of the PRC Sub-custodian by the Investment Manager under the RQFII Custodian Agreement, the sub-custody services provided by the PRC Sub-custodian for the Fund will be performed under the terms of the sub-custody agreement between the Global Custodian and the PRC Sub-custodian.

The PRC Sub-custodian, on the instructions of the Investment Manager, maintains and/or may open further securities accounts with the CDC, SCH and/or CSDCC (the "RQFII Securities Accounts") and maintains and/or may open further Renminbi accounts (the "Renminbi Cash Accounts") for the Fund. The name of each account shall include the name of the Fund, where permitted under PRC rules. These services will be carried out by the Local PRC Sub-custodian as delegate of the PRC Sub-custodian in respect of the Fund. The RQFII Custodian Agreement requires all instructions from the Investment Manager to the PRC Sub-custodian or the Local PRC Sub-custodian to be provided through the Global Depositary.

Bond Settlement Agent

As required under applicable rules in China, the Investment Manager has appointed the Local PRC Sub-custodian as the bond settlement agent for the Fund pursuant to a service agreement (the "Bond Settlement Agency Service

Agreement"). Under the terms of the Bond Settlement Agency Service Agreement, the Local PRC Sub-custodian, in its capacity as the bond settlement agent for the Fund, is required to assist with the opening of bond trading account(s) and to execute transactions and handle settlement of bonds on the CIBM which are traded for the Fund. In addition, the Bond Settlement Agency Service Agreement requires any bond account and Renminbi account opened by the Local PRC Sub-custodian, in its capacity as the bond settlement agent for the Fund, to include the name of the fund, where permitted under PRC rules. The Bond Settlement Agency Service Agreement also requires settlement instructions from the Investment Manager to the Local PRC Sub-custodian to be provided through the Global Depositary.

CURRENT SHARE CLASSES

The Current Share Classes are indicated with a 'Y' and are available to launch at the discretion of the Manager.

Current Unhedged Share Classes

Fund Name	Fund Base Ccy	Valuation Currency											
		DKK		EUR		GBP		JPY		SEK		USD	
		Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist
iShares China CNY Govt Bond UCITS ETF	USD	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y*	Y*

Current Currency Hedged Share Classes

Fund Name	Fund Base Ccy	Currency into which the exposure is hedged and Valuation Currency																								
		AUD		CAD		CHF		DKK		EUR		GBP		HKD		JPY		MXP		NZD		SEK		SGD		USD	
		Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist	Acc	Dist
iShares China CNY Govt Bond UCITS ETF	USD	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

*It is intended that these Share Classes will be the first Share Classes to become Launched Share Classes.

PRIMARY MARKET DEALING TIMETABLE

Fund Name	**Initial Share Class(es)**	**Initial Offer Price**	**Fund Valuation Point on DD***	**Dealing request cut off on DD (Cash/Market Trade dealings and In Kind FOP/OTC DVP dealings)** (or, in exceptional circumstances, such later time as approved by the Manager in its absolute discretion)****** Authorised Participants should refer to the Electronic Order Entry Facility for further details.
iShares China CNY Govt Bond UCITS ETF	USD Accumulating and USD Distributing	US$5	11.00pm	4.00am***

This Primary Market Dealing Timetable is applicable to Authorised Participants that are able to effect subscriptions and redemptions of Shares with the Company on the Primary Market. Authorised Participants should also refer to the terms of the Electronic Order Entry Facility.

"BD" means Business Day and "DD" means Dealing Day. Any application received after the cut off time on a Dealing Day will be treated as an application for the next Dealing Day.

*The Fund Valuation Point relevant to an application is the Fund Valuation Point on the Dealing Day for which that application is treated as being received.

** Dealing requests received after the cut off time for the Fund may be accepted in exceptional circumstances at the discretion of the Manager, provided always that the application is received before the Fund Valuation Point on the relevant Dealing Day for which the application is treated as being received. Applications received after the Valuation Point will be treated as applications for the next Dealing Day.

*** The cut off time for this Fund reflects that some, or all, of the Fund's underlying assets are traded in time zones earlier than the European time zone.

Subscription and redemption orders will normally be accepted in multiples of the minimum number of Shares set at the discretion of the Manager or the Investment Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum subscription and redemption orders for the Launched Share Classes.

Earlier or later times may be determined by the Manager or the Investment Manager at their discretion with prior notice to Authorised Participants.

On the Dealing Day prior to 25 December and 1 January, dealing requests for subscriptions or redemptions must be received by the earlier of the stated dealing request cut-off and 12.00 noon.

NOTE: ALL TIME REFERENCES IN THIS DEALING TIMETABLE ARE TO GREENWICH MEAN TIME (GMT), OR BRITISH SUMMER TIME (BST), WHEN SUCH IS APPLICABLE - NOT CENTRAL EUROPEAN TIME (CET).

VALUATION

The Net Asset Value per Share of the class of the Fund on offer pursuant to this Supplement shall be calculated for each Dealing Day taking the value of the Fund's Investments as at the Valuation Point. The Fund's Investments will be valued using the Benchmark Index methodology of valuing securities. Except where the determination of the Net Asset Value has been suspended in the circumstances described under "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching", the Net Asset Value per Share shall be made available at the registered office of the Administrator on or before the close of business of each Dealing Day. The Net Asset Value per Share for each class of Shares shall also be published daily on the Business Day following the Valuation Point for the Fund by means of a Regulatory Information Service as well as the official iShares website (www.iShares.com), which shall be kept up to date, and such other publications and with such frequency as the Directors may determine. The publishing of the Net Asset Value per Share for each class of Shares in the Fund is for information purposes only, and is not an invitation to subscribe, redeem or switch Shares at the published Net Asset Value per Share.

Assets of the Fund listed or traded on a Regulated Market for which market quotations are readily available shall be priced at the Valuation Point using the bid price for fixed income securities on the principal Regulated Market for such Investment. If the assets of the Fund are listed or traded on several Regulated Markets, the bid price on the Regulated Market which, in the opinion of the Administrator, constitutes the main market for such assets, will be used.

INDICATIVE NET ASSET VALUE

The indicative net asset value (iNAV®) is the net asset value per Share for each class of Shares in the Fund calculated on a real time basis (every 15 seconds) during trading hours. The values are intended to provide investors and market participants with a continuous indication of the value of each class of Shares. The values are usually calculated based on a valuation of the actual Fund portfolio using real-time prices from all relevant exchanges.

The responsibility for the calculation and publication of the iNAV® values of each class of Shares has been delegated by the Investment Manager to the Deutsche Börse Group. iNAV® values are disseminated via Deutsche Börse's CEF data feed and are displayed on major market data vendor terminals as well as on a wide range of websites that display stock market data, including Reuters at www.reuters.com and the Deutsche Börse website at http://deutsche-boerse.com.

An iNAV® is not, and should not be taken to be or relied on as being, the value of a Share or the price at which Shares may be subscribed for or redeemed or purchased or sold on any relevant stock exchange. In particular, any iNAV® provided for the Fund where the constituents of the Benchmark Index or Investments are not actively traded during the time of publication of such iNAV® may not reflect the true value of a Share, may be misleading and should not be relied on. The inability of the Investment Manager or its designee to provide an iNAV®, on a real-time basis, or for any period of time, will not in itself result in a halt in the trading of the Shares on a relevant stock exchange, which will be determined by the rules of the relevant stock exchange in the circumstances. Investors should be aware that the calculation and reporting of any iNAV® may reflect time delays in the receipt of the prices of the relevant constituent securities in comparison to other calculated values based upon the same constituent securities including, for example, the Benchmark Index or Investments itself or the iNAV® of other exchange traded funds based on the same Benchmark Index or Investments. Investors interested in dealing in Shares on a relevant stock exchange should not rely solely on any iNAV® which is made available in making investment decisions, but should also consider other market information and relevant economic and other factors (including, where relevant, information regarding the Benchmark Index or Investments, the relevant constituent securities and financial instruments based on the Benchmark Index or Investments corresponding to the Fund). None of the Company, the Directors, the Investment Manager or its designee, the Depositary, the Administrator, any Authorised Participant and the other service providers shall be liable to any person who relies on the iNAV®.

DIVIDEND POLICY

The Company intends to declare dividends pursuant to this Supplement on the Shares of the Distributing Share Classes. Dividends may be paid out of the total income of the applicable Distributing Share Class net of any relevant expenses in respect of each financial year. Dividends will normally be declared with a view to being paid either monthly, quarterly or semi-annually. No smoothing of dividends will be applied across the dividend payments in a calendar year. The dividend payment frequency for each Distributing Share Class is as follows (please refer to www.ishares.com for further information on the dividend payment dates).

Fund	Frequency of Distributions for Distributing Share Classes	Months of Distributions
iShares China CNY Govt Bond UCITS ETF	Semi-Annually	June and December

Distributions will not be made in respect of Accumulating Share Classes and income and other profits will be accumulated and reinvested.

Full details of any change to the dividend policy will be provided in an updated Prospectus or Supplement and a Shareholder notice will be issued in advance.

Any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company and become the property of the Fund.

Dividends for Distributing Share Classes will be declared in the Valuation Currency of the relevant Share Class. Investors who wish to receive dividend payments in a currency other than the Base Currency or Valuation Currency should arrange this with the relevant International Central Securities Depositary (subject to this option being made available by the relevant International Central Securities Depositary). Any foreign exchange conversions of dividend payments are not the responsibility of the Company and are at the cost and risk of the investors.

FUND EXPENSES

The Company employs an "all in one" fee structure for its Funds (and Share Classes). Each Fund pays all of its fees, operating costs and expenses (and its due proportion of any costs and expenses of the Company allocated to it) as a single flat fee (the "Total Expense Ratio" or "TER"). Any fees, operating costs and expenses which are attributable to a particular Share Class (rather than the entire Fund) will be deducted from the assets notionally allocated by the Fund to that Share Class. Expenses paid out of the TER include, but are not limited to, fees and expenses paid to the Manager, regulators and auditors and certain legal expenses of the Company, but exclude transaction costs and extraordinary legal costs.

The Total Expense Ratio for a Share Class is calculated and accrued daily from the current Net Asset Value of the relevant Share Class as follows and shall be payable monthly in arrears:

Fund	**Fund / Share Classes**	**TER**
iShares China CNY Govt Bond UCITS ETF	Unhedged Share Classes	0.25%
	Currency Hedged Share Classes	Up to 1.00%*

The Manager is responsible for discharging all operational expenses, including but not limited to, fees and expenses of the Directors, the Investment Manager, Depositary and Administrator from the amounts received by the Manager from the Total Expense Ratio. Such operational expenses include regulatory and audit fees but exclude transaction costs and extraordinary legal costs. In the event the costs and expenses of a Share Class that are intended to be covered within the TER exceed the stated TER, the Manager will discharge any excess amounts out of its own assets.

Establishment costs for the Fund will be paid by the Manager.

For additional information about fees and expenses of the Fund, see the heading "Fund Expenses" in the Prospectus.

*For the current TER charged on each Share Class please refer to its KIID and/or the product pages of the website at www.ishares.com.

TAXATION

General
The information given in the Prospectus and below is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.

In addition to the United Kingdom taxation considerations detailed on pages 191 to 194 of the Prospectus, the following taxation considerations apply specifically to the Fund.

United Kingdom Taxation
Investors who are insurance companies within the charge to United Kingdom taxation holding their Shares in the Fund for the purposes of their long-term business (other than their pensions business) will be deemed to dispose of and immediately reacquire those Shares at the end of each accounting period. In general terms, the chargeable gains and allowable losses arising under the annual deemed disposal rules are aggregated and one-seventh of the net amount thus emerging is chargeable (where there are net gains) or allowable (where there are net losses) at the end of the accounting period in which the deemed disposals have taken place.

The Company may seek one or more of the following statuses for Share Classes distributed in the relevant jurisdictions:
- UK Reporting Fund Status
- Austrian Reporting Fund Status

Investors should refer to their tax advisors in relation to the implications of the Fund obtaining such status.

INSPECTION OF DOCUMENTS

Copies of the following documents will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays), free of charge, at the registered offices of the Company (J.P. Morgan, 200 Capital Dock, 79 Sir John Rogerson's Quay, Dublin 2, D02 RK57, Ireland) and the offices of the Investment Manager (BlackRock Advisors (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL, England):

(a) the Prospectus;
(b) this Supplement;
(c) the KIID;
(d) the Memorandum and Articles of Association of the Company; and
(e) the latest annual and semi-annual reports of the Company (if any).

The documents listed above may also be obtained, on request free of charge, from the Administrator.

DISCLAIMERS

Disclaimer for Benchmark Index

The past performance of the Benchmark Index is not a guide to future performance. The Investment Manager, the Manager, Affiliates and the Company do not guarantee the accuracy or the completeness of the Benchmark Index or any data included therein and the Investment Manager, the Manager, Affiliates and the Company shall have no liability for any errors, omissions or interruptions therein. The Investment Manager, the Manager, Affiliates and the Company make no warranty, express or implied, to the owners of shares of the Fund or to any other person or entity, as to results to be obtained by the Fund from the use of the Benchmark Index or any data included therein. Without limiting any of the foregoing, in no event shall the Investment Manager, the Manager, Affiliates and the Company have any liability for any special, punitive, direct, indirect or consequential damages (including lost profits) arising from inaccuracies, omissions or other errors in or as a result of the Benchmark Index, even if notified of the possibility of such damages. The Investment Manager, the Manager, Affiliates and the Company are not responsible for verifying the ratings assigned to each issuer in accordance with the relevant rating methodology used by the Benchmark Index.

Disclaimer for Reference to Index Provider Website

In accordance with Central Bank requirements, the Company and the Fund are required to provide details of the index provider's website ("Website") to enable Shareholders to obtain further details of the Fund's Benchmark Index (including the index constituents). The Company and the Fund have no responsibility for the Website and are not involved in any way in sponsoring, endorsing or otherwise involved in the establishment or maintenance of the Website or the contents thereof.

iNAV disclaimer

Deutsche Börse Group
In order to ensure the highest quality of each of its products, Deutsche Börse Group exercises the greatest care when calculating indicative net asset values (iNAV®) on the basis of the rules set out on its website.

However, Deutsche Börse Group cannot guarantee that the various iNAV®, as set out on its website, are always calculated free of errors. Deutsche Börse Group accepts no liability for any direct or indirect losses arising from any incorrect calculation of such iNAV®.

Decisions concerning the way of its iNAV® calculation are always taken by Deutsche Börse Group to the best of its knowledge and belief. Deutsche Börse Group shall not be liable for any losses arising from such decisions.

The iNAV® of Deutsche Börse Group do not represent a recommendation for investment of whatever nature. In particular, the compilation and calculation of the various iNAV® shall not be construed as a recommendation of Deutsche Börse Group to buy or sell individual securities, ETFs underlying these iNAV® or the basket of securities underlying a given iNAV®.

Reuters
The Company and the Fund have no responsibility for the Reuters website or the dissemination of the various iNAV on such website and are not involved in any way in sponsoring, endorsing or otherwise involved in the establishment or maintenance of such website or the contents thereof.

Benchmark Index Disclaimer

The Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies.

All rights in the FTSE Chinese Government Bond Index (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under licence.

The Index is calculated by or on behalf of FTSE Fixed Income, LLC or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of the Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from the Fund or the suitability of the Index for the purpose to which it is being put in connection with the Fund.

APPENDIX I

Funds of the Company

As at the date of this Supplement, there are 72 other funds of the Company which are listed below:

iShares $ Short Duration Corp Bond UCITS ETF
iShares $ Short Duration High Yield Corp Bond UCITS ETF
iShares $ Treasury Bond 20+yr UCITS ETF
iShares $ Ultrashort Bond ESG UCITS ETF
iShares $ Ultrashort Bond UCITS ETF
iShares € Govt Bond 20yr Target Duration UCITS ETF
iShares € Ultrashort Bond ESG UCITS ETF
iShares € Ultrashort Bond UCITS ETF
iShares £ Ultrashort Bond ESG UCITS ETF
iShares £ Ultrashort Bond UCITS ETF
iShares Ageing Population UCITS ETF
iShares Automation & Robotics UCITS ETF
iShares China CNY Bond UCITS ETF
iShares Digital Security UCITS ETF
iShares Digitalisation UCITS ETF
iShares Edge MSCI EM Multifactor UCITS ETF
iShares Edge MSCI EM Quality Factor UCITS ETF
iShares Edge MSCI EM Value Factor UCITS ETF
iShares Edge MSCI EMU Multifactor UCITS ETF
iShares Edge MSCI Europe Momentum Factor UCITS ETF
iShares Edge MSCI Europe Multifactor UCITS ETF
iShares Edge MSCI Europe Quality Factor UCITS ETF
iShares Edge MSCI Europe Size Factor UCITS ETF
iShares Edge MSCI Europe Value Factor UCITS ETF
iShares Edge MSCI USA Momentum Factor UCITS ETF
iShares Edge MSCI USA Multifactor UCITS ETF
iShares Edge MSCI USA Quality Factor UCITS ETF
iShares Edge MSCI USA Size Factor UCITS ETF
iShares Edge MSCI USA Value Factor UCITS ETF
iShares Edge MSCI World Momentum Factor UCITS ETF
iShares Edge MSCI World Multifactor UCITS ETF
iShares Edge MSCI World Quality Factor UCITS ETF
iShares Edge MSCI World Size Factor UCITS ETF
iShares Edge MSCI World Value Factor UCITS ETF
iShares Electric Vehicles and Driving Technology UCITS ETF
iShares Fallen Angels High Yield Corp Bond UCITS ETF
iShares Healthcare Innovation UCITS ETF
iShares iBonds Sep 2018 $ Corp UCITS ETF*
iShares MSCI China A UCITS ETF
iShares MSCI China UCITS ETF
iShares MSCI EM ESG Enhanced UCITS ETF
iShares MSCI EM ex-China UCITS ETF
iShares MSCI EM IMI ESG Screened UCITS ETF
iShares MSCI EM SRI UCITS ETF
iShares MSCI EMU ESG Enhanced UCITS ETF
iShares MSCI EMU ESG Screened UCITS ETF
iShares MSCI EMU Large Cap UCITS ETF
iShares MSCI EMU Mid Cap UCITS ETF
iShares MSCI EMU SRI UCITS ETF
iShares MSCI Europe ESG Enhanced UCITS ETF
iShares MSCI Europe ESG Screened UCITS ETF
iShares MSCI France UCITS ETF
iShares MSCI India UCITS ETF
iShares MSCI Japan ESG Enhanced UCITS ETF
iShares MSCI Japan ESG Screened UCITS ETF
iShares MSCI Japan SRI EUR Hedged UCITS ETF (Acc)
iShares MSCI Japan SRI UCITS ETF
iShares MSCI USA ESG Enhanced UCITS ETF
iShares MSCI USA ESG Screened UCITS ETF
iShares MSCI USA SRI UCITS ETF
iShares MSCI World ESG Enhanced UCITS ETF
iShares MSCI World ESG Screened UCITS ETF
iShares MSCI World SRI UCITS ETF
iShares NASDAQ US Biotechnology UCITS ETF
iShares OMX Stockholm Capped UCITS ETF
iShares Refinitiv Inclusion and Diversity UCITS ETF
iShares Smart City Infrastructure UCITS ETF
iShares TA-35 Israel UCITS ETF
iShares Target Global Infrastructure UCITS ETF
iShares US Equity Buyback Achievers UCITS ETF
iShares US Fallen Angels High Yield Corp Bond UCITS ETF
iShares US Mortgage Backed Securities UCITS ETF

The Shares of each Fund are issued on different terms and conditions to those of the other funds.

APPENDIX II

The following sections in the Prospectus contain further general information and have been referenced in this Supplement:

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