BlackRock

Supplemental Disclosures Document

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1. Introduction

The purpose of this Supplemental Disclosures Document (“**Document**”) is to provide clients and potential clients (each referred to as “**Client**” or “**you**”) with the disclosures required under the recast Markets in Financial Instruments Directive 2014/65/EU (“MiFID”), the Markets in Financial Instruments Regulation EU 600/2014 (“MiFIR”) (the Directive and Regulation together “**MiFID II**”) and the **Onshoring of MiFID II** in the United Kingdom (“**UK**”) in relation to the provision, or offering, by BlackRock to you of one or more Services.

This Document forms part of your agreement with BlackRock and should be read in conjunction with any materials provided to clients and potential clients as well as any contractual arrangements under which BlackRock provides Services to you (“**Agreement**”).

2. About BlackRock and Its Services

This Document provides information in relation to the BlackRock entities listed below and their respective branches (each referred to as “**BlackRock**” or “**we**”):

- BlackRock Investment Management (UK) Limited
- BlackRock Advisors (UK) Limited
- BlackRock International Limited
- BlackRock (Netherlands) B.V.
- BlackRock Institutional Trust Company N.A, (UK Branch)
- BlackRock Asset Management Deutschland AG
- BlackRock France SAS[1]

Each of the BlackRock entities is authorised and regulated in its home jurisdiction for the provision of one or more of the following services (each referred to as a “**Service**”):

- Portfolio Management;
- Investment Advice;
- Execution of orders on behalf of clients; and/or
- Reception and transmission of orders in relation to one or more financial instruments.

In providing Services to you, and unless this is not permitted under the terms of your Agreement, BlackRock may utilise the services of one or more of its affiliates, which may act in a capacity as its delegate or service provider (please refer to Section 7 and Appendix 5 for more information.).

Capitalised terms that have not been defined in this Document (including Glossary of Terms for this Document set out in Appendix 7), are as defined in MiFID II and the Onshoring of MiFID II in the UK. In relation to portfolio management services and the provision of Investment Advice, BlackRock will use reasonable endeavours to meet the client’s investment criteria and objectives, including any performance targets and risk limits as set out in an Agreement, but does not give any warranty or guarantee that they will be achieved.

3. Client Classification

Based on the information supplied by you, BlackRock has categorised you as a Professional Client. By accepting the provision of the Service(s), you acknowledge and agree with this categorisation. You have the right to request a different categorisation at any time from BlackRock. However, BlackRock only provides the Service(s) to Professional Clients and in the event, you choose to request a change to your categorisation BlackRock may no longer be able to provide the Service(s) to you.

In addition, it is your responsibility to notify BlackRock of any changes that are likely to impact your client categorisation status (i.e., change in legal structure, regulatory status, financial situation). However, where BlackRock becomes aware that you are no longer able to satisfy the initial conditions that made you eligible for categorisation as a Professional Client, we may conduct a new assessment of your categorisation. Re-categorisation to a new status may result in BlackRock changing or withdrawing the Service(s).

4. Communication & Contact Details

4.1. Our approach to client communications

Both BlackRock and you may communicate with and provide information to each other in whatever electronic medium deemed appropriate. This may include use of e-mail, the internet or other electronic means. Certain information related to the Services will be provided to you in a durable medium or through a

[1] BlackRock France SAS is an Asset Management Company, authorised and regulated by the Autorité des Marchés Financiers, with MiFID top-up permissions for portfolio management, reception and transmission of orders and investment advice.

website. BlackRock's preference for communicating confidential client data is to use secure online platforms (e.g., Gateway, our digital client portal or Secure Links) which will be made available to you. If you elect instead to receive such data via other electronic means, such as e-mail, you acknowledge that instructions or communications conveyed by such electronic means are not secure forms of communication and may accordingly give rise to higher risks of manipulation or attempted fraud. E-mails cannot always be guaranteed for end-to-end encryption with the potential for interception between the sender and receiver. We will not be liable for acting in reliance upon any notices or instructions received from you and we will not be required to verify any communications received from you by e-mail. We may not encrypt or digitally sign any information transferred by internet and/or e-mail.

Except as otherwise specified by separate agreement, you and BlackRock shall communicate in English. That said, there may be circumstances where BlackRock communicates in other languages (such as the local language of the client) and you accept that BlackRock may communicate and provide information in languages other than English.

4.2. Contact details

You may communicate with BlackRock using the contact details provided in Appendix 6.

5. Complaints

We have a complaints handling policy in place that establishes minimum, consistent complaint handling standards ensuring BlackRock investigates all client complaints competently, diligently, promptly, and in an independent manner.

Complaints from clients regarding our Services, may be referred to your Relationship Manager in the first instance.

Further information on our complaints handling procedures will be provided to clients or potential clients on request. Alternatively, you can find information on our complaints handling procedure on our website.

6. Order Transmission and Execution

Regulatory disclosures regarding our Execution and Order Placement Policy, including our broker and counterparty selection and review process, and our approach to the aggregation and allocation of our clients' orders are set out in Appendix 1.

When BlackRock executes transactions on your behalf, you are responsible for the payment in immediately available funds of all amounts due in respect of purchases of financial instruments, and for the delivery of unencumbered financial instruments in respect of sales that we effect on your behalf. Such payments or deliveries, as applicable, shall be made on or prior to the relevant transactions' settlement date.

7. Payment for External Research

BlackRock pays for external research related to its portfolio management activity that is subject to MiFID II out of its own resources. This applies to the management of portfolios, which have appointed a BlackRock Group firm which is subject to MiFID II (including BlackRock UK legal entities subject to the UK Onshoring of MiFID II) as Investment Manager, as well as where portfolio management has been delegated by such a firm to an overseas affiliate.

Funds and separate accounts which have directly appointed an affiliate of the BlackRock Group based outside the European Economic Area (the "EEA") or to perform a Service with no onward delegation to a BlackRock Group firm inside the EEA or the United Kingdom may not be in scope for the purposes of MiFID II and will be subject to the laws and market practices governing external research in the jurisdiction of the relevant affiliate. This means that costs of external research may, subject to applicable law and market practice, continue to be met out of the assets of such funds or clients.

Where we make investments on your behalf in External funds and/or where we appoint external managers to manage your assets, you will be subject to the external manager's approach to paying for external research in each case, unless agreed otherwise. This approach may be different from BlackRock's and may include the collection of a research charge alongside trading commissions in accordance with applicable laws and market practice. This means that the costs of external research may continue to be met out of the assets within the External fund and/or your externally managed portfolio.

8. Risk Warnings

BlackRock appreciates that some clients have a sophisticated understanding of the risks inherent in investments. However, it also recognises that some risks and financial instruments may not be as visible or as well understood.

The risk warnings set out in Appendix 4 are designed to improve BlackRock's clients' and potential clients' understanding of some of the more sophisticated instruments, strategies and their associated risks.

In addition, you should consider the risk factors that are specific to collective investment schemes or other pooled funds, or other products in which you invest. These warnings should not be considered an exhaustive list of all risks and further information is available on request.

9. Delegation

When BlackRock delegates the discretionary portfolio management of all or part of your portfolio to an affiliate in accordance with the terms of your Agreement, we have an obligation to provide you with details of any such delegation and such details are contained in Part 1 of Appendix 5. If BlackRock delegates the discretionary portfolio management of all or part of your portfolio to a third party which is not an affiliate of BlackRock the identity of such third party and details of the delegation arrangements, shall be provided in your Agreement.

BlackRock may use order transmission and execution services of one or more of its affiliated companies, including those listed in Part 2 of Appendix 5, in relation to orders resulting from BlackRock's decisions to deal on your behalf or received from you. Orders placed with our centralised trading desk in London will always be handled by BlackRock International Limited, who will transmit such orders to third parties for execution or act as agent for the purpose of executing such orders in accordance with BlackRock's Execution and Order Placement Policy.

10. Investment Advice

10.1. Restricted Investment Advice Disclosure

When advising and making a client-specific recommendation to Professional Clients, BlackRock offers 'restricted advice' considering certain categories of financial instruments or a subset of such categories without looking at the broad universe of available financial instruments or providers.

Such financial instruments may include units in collective investment schemes, transferable securities, and derivative instruments. Units in collective investment schemes may include In-House Funds or an agreed subset of In-House Funds. Only to the extent expressly agreed in the relevant Agreement, BlackRock could also advise on certain External Funds. In such event, BlackRock would generally, as part of the investment selection process, select In-House Funds, where available, unless otherwise agreed with the relevant client.

Depending on the assignment, BlackRock will consider specific parameters when selecting and recommending financial instruments, such as:

- restrictions and parameters agreed with the client for the relevant assignment; and/or
- assumptions on risk and returns across multiple asset classes developed internally; and/or
- its internal research on fund managers and financial instruments.

Any Investment Advice provided will be subject to the restrictions and/or guidelines documented in the relevant Agreement.

For clients contracted with BlackRock (Netherlands) B.V., there is an obligation to provide, where relevant, further information to clients on whether we do consider or not the negative effects from an investment, or principal adverse impacts ("PAIs") on Sustainability Factors, when we provide you with Investment Advice.

In accordance with its obligations under the Sustainable Finance Disclosure Regulation ("SFDR"). BlackRock has published for its entities in scope (including BlackRock (Netherlands) B.V.) its Principal Adverse Impacts Statement ("PASI") of investment decisions on Sustainability Factors. This statement can be found at:

https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/sfdr-principal-adverse-sustainability-impact-statement.pdf

Clients are also able to find additional information in relation to PAIs considerations in section 14 of this Document.

If you would like additional information in relation to the PAIs considerations for the Investment Advice Service you received, please contact your BlackRock Relationship Manager and/or Adviser for a further conversation.

10.2 Periodic Assessment of Suitability for Investment Advice

BlackRock does not carry out the periodic assessment of suitability in relation to any recommendations provided, or financial instruments recommended, by BlackRock. This is without prejudice to any suitability requirements applicable when providing Investment Advice or portfolio management services.

11. Conflicts of Interest

In the course of providing services to its clients BlackRock, including other companies within the BlackRock Group, their employees, and their other clients, may encounter conflicts with the interests of its clients and its own interests. Although BlackRock maintains a Global Conflicts of Interest Policy, it is not always possible to fully mitigate the risk of detriment to a client's interests.

The types of potential or actual conflicts which BlackRock considers it cannot, with reasonable confidence, fully prevent the risk of damage to the interests of a client, are disclosed below and may be updated from time to time.

11.1. Timing of Competing Orders

When handling multiple orders in the same security and in the same direction, generated at or around the same time, on behalf of different clients, BlackRock seeks to achieve the best overall result for each order equitably on a consistent basis by considering various factors, including but not limited to, the characteristics of the orders, regulatory constraints, or prevailing market conditions.

Generally, this is achieved through the aggregation of competing orders. Conflicts of interest may arise if a trader does not aggregate competing orders that meet eligibility requirements or aggregates those orders that do not meet eligibility requirements; this may give rise to the appearance of preferential execution on one order over another. For a client specific trade instruction, there may be a risk that better execution terms will be achieved for a different client. For example, if the order was not included in an aggregation.

The BlackRock Group maintains a Global Execution and Order Placement Policy and a Global Investment and Trading Allocation Policy, which govern the sequencing and the aggregation of orders.

11.2. Concurrent Long and Short Investing

BlackRock may establish, hold, or unwind opposite positions (i.e., long and short) in the same security at the same time for different clients. This may impact the interests of BlackRock's clients on either side. Additionally, portfolio management teams across the BlackRock Group may have long only mandates and long- short mandates; they may short a security in some portfolios that are held long in other portfolios. Investment decisions to take short positions in one account may also impact the price, liquidity, or valuation of long positions in another client account, or vice versa. The BlackRock Group maintains a Global Long Short Policy which establishes protocols for treating accounts fairly.

11.3. Partial Fills

When executing a transaction in a security on behalf of a client, it can be aggregated, and the aggregated transaction fulfilled with multiple trades. Trades executed with other client orders result in the need to allocate those trades. The ability of each BlackRock trader to allocate trades to a certain client's account can be limited by the size and price of those trades relative to the size of the clients' instructed transactions. A process of allocation can result in a client not receiving the whole benefit of the best priced trade.

The BlackRock Group maintains a Global Investment and Trading Allocation Policy, which is designed to help ensure the fair treatment of all clients' accounts over time.

11.4. Material Non-Public Information

BlackRock Group companies receive Material Non-public Information ("MNPI") in relation to listed securities in which BlackRock Group companies invest on behalf of clients. To prevent wrongful trading, the BlackRock Group has established information barriers and, with regard to those investment teams in possession of the MNPI, restricts trading in the security, or securities, of the issuer to which the MNPI relates. Such restrictions may negatively impact the investment performance of client accounts. BlackRock has implemented a Material Non-Public Information Barrier Policy.

11.5. Limited Investment Opportunities

Where limited investment opportunities exist that may be of interest to more than one client, a potential conflict may arise between the interests of (and duties to) those clients. In certain instances, the allocation of a particular investment opportunity may be offered to only some clients, but not all.

Additionally, BlackRock may be restricted in its investment activities due to ownership threshold limits and reporting obligations in certain jurisdictions applying in aggregate to the accounts of clients of the BlackRock Group. Such restrictions may adversely impact clients through missed investment opportunities.

The BlackRock Group maintains a Global Investment and Trading Allocation Policy, which is designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

11.6. Investment in BlackRock In-House Funds

While providing advisory or portfolio management services to a client, BlackRock may recommend and/or invest in products (including collective investment schemes or other pooled vehicles) serviced by BlackRock Group companies. BlackRock may also recommend Services provided by BlackRock or its affiliates. Such activities could increase BlackRock's revenue. In managing this conflict, BlackRock seeks to provide services in accordance with the Agreement in place. Additionally, all BlackRock employees are required to act in accordance with the BlackRock Code of Business Conduct and Ethics.

Certain investors in BlackRock In-House funds, which may include investors receiving accelerated disclosure of fund holding information or BlackRock Group companies investing on behalf of other clients, may have an informational advantage when compared to other investors investing in the applicable BlackRock In-House funds.

Investors with an informational advantage may be in a position to take more informed decisions (for example, to invest in/divest from) regarding the applicable BlackRock In-House funds before other investors.

11.7. Information Barriers

BlackRock has established certain information barriers and other policies to address the sharing of information across BlackRock, including with respect to personnel responsible for managing and voting proxies on behalf of certain investment strategies. While information barriers are a generally expected feature of an effective risk control framework and allow for independent decision-making and the disaggregation of ownership across different BlackRock investment businesses, the investment strategies and rights applicable to certain BlackRock Clients may be limited and investment outcomes for such BlackRock Clients may differ when compared to other BlackRock Clients as a result of BlackRock businesses having differing levels of access to and the benefit of certain information and personnel.

11.8. Private Investments

BlackRock may invest on behalf of its client accounts in a range of private securities. Potential conflicts may arise from such private investments, including but not limited to, where various BlackRock investment teams are considering the same opportunity, where client accounts are invested at different levels of the security issuer's capital structure, or where client accounts are holding private securities of the same issuer and such securities carry different rights or features that could be in conflict with each other.

BlackRock Group has established various policies and procedures that are designed to manage and mitigate conflicts arising from private investments. Should a new or specific conflict arise it will be assessed and mitigated on a case-by-case basis. Any such assessment will take into consideration the interests of the relevant client accounts, the circumstances giving rise to the conflict and applicable laws. While the firm seeks to manage conflicts to avoid any adverse impact, in certain circumstances it may not be possible to eliminate all conflicts. In such cases, the firm will take appropriate steps to mitigate and provide clear disclosure to affected clients.

12. Inducements

In the course of providing services to you, BlackRock may accept permissible minor non-monetary benefits from third parties which consist of the following:

- generic information on financial instruments or investment services;
- written material that is commissioned and paid for by a corporate issuer or potential issuer to promote a new corporate issuance (pre-deal research), or for ongoing research coverage of the issuer (issuer-sponsored research), which clearly discloses the relationship with the issuer and is made available at the same time to all interested firms, or to the general public;
- participation at conferences, seminars and other training events on the benefits and features of specific financial instruments and investment services (for example, an investment bank may provide training on a new product it is launching);
- hospitality of a reasonable de minimis value, including food and drink during a business meeting, seminar, conference or training session;
- research relating to an issue of securities, which is produced by an underwriter/placing agent acting for the issuer and (i) is produced prior to the issue being completed; and (ii) is made available to prospective investors in the issue (for example, pre-deal investor education material which is produced by the investment bank underwriting or placing that issue to help asset managers decide whether or not to invest in a new issuance); or
- research which is received for limited trial periods so that BlackRock may evaluate a research provider's research service.

In each case BlackRock will accept such minor non-monetary benefits if it considers that they are:

- capable of enhancing the quality of the service provided by BlackRock to clients;
- of a scale and nature that they could not be judged to impair BlackRock's compliance with its duty to act honestly, fairly and professionally in the best interests of its clients; and
- reasonable, proportionate and of a scale that is unlikely to influence BlackRock's behaviour in any way that is detrimental to the interests of its clients.

13. Client Reporting

The following section refers to the different types of reporting that may be provided to different types of clients depending on the Services provided by BlackRock.

13.1. Portfolio Management Activity Reports

When BlackRock provides portfolio management services to you, it will provide you, and/or a third party designated by you as the appropriate recipient of this information, with periodic statements of the activities it carried out on your behalf, unless such statements are provided to you by another person. Such statements will be provided to you and/or your designated recipient at least quarterly (or monthly when our Agreement with you authorises a leveraged portfolio) and may be provided by means of multiple reports, which may be sent to you together or at different times, and which will together contain all information that we are required to provide to you under applicable rules, including your portfolio's holdings and their valuation, fees and charges incurred and a statement of your portfolio's performance during the reporting period. Where BlackRock manages the account on a discretionary basis it will not provide information on executed transactions on a transaction-by-transaction basis.

Where BlackRock provides you with portfolio management services, it will establish an appropriate method of evaluation and comparison so you can assess its performance. Where BlackRock has established that such evaluation and comparison can be made against a meaningful benchmark, details of this will be provided to you as part of the on-boarding process and may also be set out in the investment guidelines within your Agreement and/or in the regular reports you receive from BlackRock. Where no meaningful benchmark has been identified, we will provide you market commentary or other means for evaluation and comparison as part of the regular reports you receive from BlackRock.

Valuation levels for the assets of the Portfolio in the periodic statements provided by BlackRock in respect of the Portfolio shall reflect BlackRock's good faith effort to ascertain fair market levels (including accrued income, if any) for the assets reasonably believed by BlackRock to be held for the Portfolio based on pricing and valuation information believed by BlackRock to be reliable. Variations in market conditions will mean that the prices shown in periodic statements and any other reports do not necessarily reflect realisable values.

13.2. Depreciation Notifications

Where BlackRock provides portfolio management services, it has previously been subject to a regulatory requirement to inform its clients when the overall value of their portfolios, as evaluated at the beginning of each reporting period, depreciates by 10% (and thereafter at multiples of 10%) by the end of the business day (in the place of business of the BlackRock entity that manages your portfolio) in which the threshold is exceeded or, in a case where the threshold is exceeded on a non-business day, the close of the next business day.

As a result of the MiFID Quick Fix and UK MiFID Quick Fix, BlackRock is no longer required to produce these depreciation notifications for professional clients. Clients who would like to receive depreciation notifications must contact their BlackRock Relationship Manager to opt-in.

13.3. Costs & Charges

BlackRock will provide you, and/or a third party designated by you as the appropriate recipient of this information, with information about costs and charges that are expected to be incurred by you/your portfolio in connection with the services that BlackRock has agreed to provide to you, or in connection with financial instruments that BlackRock has recommended or marketed to you and otherwise as required under applicable rules.

BlackRock will provide this information in such format as required under applicable rules prior to providing you with the relevant services. BlackRock may update such information in the event of changes to such services that BlackRock, in its discretion, deems material for the purposes of this information, or based on our observation of actually incurred charges over time.

On an annual basis, BlackRock will provide you, or your designated recipient, with information on costs and charges incurred by you/your portfolio in connection with services provided to you as required under applicable rules. When a service is provided to you for only part of a yearly reporting period, BlackRock will provide you with information on incurred costs and charges in accordance with its annual costs and charges reporting cycle, which may be significantly later than the date of cessation of the provision of the service, unless BlackRock has agreed to provide you with this information at an earlier time.

When BlackRock provides you with different services, or it provides the same services in respect of separate portfolios, it may provide you with information about costs and charges related to such different services in separate reports.

13.4. Suitability of product switches

When BlackRock provides Investment Advice or portfolio management services that involve switching investments, BlackRock takes into consideration the cost-benefit as part of its overall suitability assessment although a cost-benefit analysis is only expressly documented in cases where there is a direct conflict of interest at play.

As a result of the MiFID Quick Fix and UK MiFID Quick Fix, BlackRock is no longer required to provide professional clients with a documented cost-benefit analysis when switching instruments as part of the portfolio management service provided. Clients of BlackRock (Netherlands) B.V who wish to receive a documented cost-benefit analysis for product switches have the ability to opt-in and should contact their BlackRock Relationship Manager.

14. Sustainable Finance Disclosure Regulation

This section applies to Portfolio Management and Investment Advice services provided to clients contracted with BlackRock (Netherlands) B.V. as required under the Sustainable Finance Disclosure Regulation ("SFDR").

14.1. Integration of sustainability risks

BlackRock's approach to investing is grounded in three principles: 1) BlackRock starts by understanding the client's investment objectives and offers choices through our investment platforms to help meet their needs; 2) the firm seeks the best risk-adjusted returns within the scope of the mandate given by clients; and

3) BlackRock underpins its work with research, data, and analytics. BlackRock considers many investment risks in its firmwide processes. In order to seek the best risk-adjusted returns for our clients, we manage material risks and opportunities that could impact Portfolios, including financially material ESG-related data or information. Our investment view is that doing so can provide better risk-adjusted returns for our clients over the long term. For more information on BlackRock's firmwide approach to ESG integration, please refer to the Firmwide ESG Integration Statement:
https://www.blackrock.com/us/individual/literature/publication/blk-esg-investment-statement-web.pdf.

BlackRock has defined ESG Integration as the practice of incorporating material ESG information and consideration of sustainability risks into investment decisions in order to enhance risk-adjusted returns. This applies regardless of whether a Portfolio has a sustainable or ESG-specific objective. As with other investment risks and opportunities, the financial materiality of ESG considerations may vary by issuer, sector, product, mandate, and time horizon. Depending on the investment approach, financially material ESG data or information may help inform the due diligence, portfolio or index construction, and/or monitoring processes of our portfolios, as well as our approach to risk management. Unless otherwise stated in Client's documentation or included within the Portfolio's investment objective, consideration of sustainability risk does not imply that a portfolio has an ESG-aligned investment objective, but rather describes how sustainability risk information is considered as part of the overall investment process. BlackRock has remuneration policies which are aligned with and promote sound and effective risk management and discourage excessive risk taking. In accordance with SFDR, these remuneration policies have been updated to integrate sustainability risk.

Description of sustainability risks

BlackRock defines sustainability risk as an inclusive term to designate an investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that relates to environmental, social and/or governance issues. As with other investment risks and opportunities, the financial materiality of sustainability risks may vary by issuer, sector, product, mandate, and time horizon. Examples of sustainability-related risks may include but are not limited to:

1. Environmental Risk: Risk associated with environmental issues which may include but are not limited to climate change, water use, land use, waste management, environmental degradation or loss of ecosystem services. Environmental degradation includes water or air pollution, desertification, and loss of biodiversity. Climate-related risk includes:

   a. Climate transition risk: Risk related to the transition to a lower carbon economy. Whether policy, technology, market or reputation risk arises from the adjustments to a low-carbon economy in order to mitigate climate change.
   b. Climate physical risk: Risk associated with the physical impacts due to climate change. Physical risk arises from the physical effects of climate change which can be acute or chronic. For example, frequent and severe climate-related events can impact products and services, and supply chains.

2. Social risk: A broad range of factors, that can impact an issuer's operational effectiveness and resilience as well as its public perception, and social license to operate. Examples of social issues include, but are not limited to, human capital management, impacts on the communities in which a company operates and customer loyalty.

3. Governance risk: Governance related risks can include risks around board independence, ownership & control, or audit and tax management.

Sustainability risk is not a standalone risk; hence the risk identification, assessment and monitoring of sustainability risk cannot be performed on a standalone basis. Sustainability risks may be identified through exposure to Key Performance Indicators ("KPIs") linked directly to Environmental, Social and/or Governance related activities, or identified indirectly through their effect on different existing risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc). Sustainability risk factors may have a material impact on an investment held in a Portfolio, may increase volatility and may result in a loss to the value of units in a Portfolio. Certain issuers may be particularly exposed to heightened sustainability risks through their sector or business practices. BlackRock has developed an approach to identify and monitor issuers particularly exposed to heightened E, S and/or G risks. BlackRock invests in financial instruments on behalf of its clients within its Portfolios which are managed in line with their investment objectives and constraints. While many of the investments made within Portfolios can have positive impacts on their stakeholders and society, the business activities of certain companies or assets that are held in BlackRock's Portfolios may have adverse impacts on the environment or people ("principal adverse sustainability impacts" or "PAIs") which may present sustainability risks. BlackRock's approach to PAIs is detailed in BlackRock's Principal Adverse Impacts policy.

Description of ESG integration

Each sustainability risk assessment is specific to the asset class and to the Portfolio's objectives. Different asset classes may utilise different data and tools to assess materiality and make meaningful differentiation among issuers and assets. Risks are considered and actively risk managed concurrently, by prioritizing based on materiality and on the Portfolio's objective, as well as ensuring that the risk taking is deliberate, diversified and scaled. We structure our ESG integration efforts around three main pillars:

1. Investment processes;

2. Data & Analytics; and

3. Transparency.

These pillars underpin ESG integration at BlackRock, and we support them by equipping our employees with investment relevant ESG data, tools, and education.

Investment process

As with all components of the investment process, ESG integration, to the extent applicable, is the responsibility of the investment teams. The process for assessing and managing financially material ESG risks in our active funds and advisory strategies, is consistent with our approach to managing other risk criteria and includes the following: i) each strategy has description of how financially material ESG data or information fits into its investment process, ii) portfolio managers are accountable for managing exposure to financially material ESG risks, and iii) investment teams are able to provide evidence of how they consider financially material ESG data or information in their investment processes. In index portfolios, our responsibility is to track a predetermined benchmark index, which will reflect the characteristics of the index providers' methodology. As traditional index funds are managed to track an underlying index, BlackRock is restricted from making changes to portfolios which would deviate from its underlying index or increase its tracking error, notwithstanding the outcome of BlackRock's assessments of the exposure of the portfolio to sustainability characteristics and risks. Thus, sustainability characteristics and risks post launch of an index mandate does not influence individual security selection unless specifically incorporated into the underlying index or governed for in client documentation. How sustainability considerations are sourced, assessed, and incorporated will vary with portfolio objective, investment style, and asset class. Portfolios' exposure to material sustainability risks are primarily managed by portfolio managers who are accountable and act as the first line of defense. BlackRock's risk management function, the Risk and Quantitative Analysis ("RQA") group is responsible for BlackRock's Investment and Enterprise risk management frameworks and serves as a key part of the second line of defense beyond portfolio managers. RQA evaluates investment risks, including financially material ESG risks, as part of regular reviews with portfolio managers. This helps to ensure that such risks are understood, deliberate, and consistent with client objectives, complementing the first-line monitoring. RQA also has a dedicated Sustainability Risk group that partners with risk managers and businesses to oversee sustainability risk across the platform. BlackRock periodically reviews holdings in issuers that the firm considers to be particularly exposed to elevated ESG related financially material investment risks through their sector or business practices.

Data & Analytics

For our public market strategies, we are continuously expanding access to high quality ESG data and information sources through Aladdin. BlackRock's investment teams have access to a range of third-party data sets and internal materiality-focused ratings across core Aladdin tools, allowing investors to identify financially material ESG data or information for their unique investment process where appropriate. The Aladdin platform also offers a set of analytic tools to assess material ESG-related risks and opportunities. This includes Aladdin Climate, which amongst other analytics, provides scenario analysis capabilities to help investors identify investment risks and opportunities associated with the physical impacts of a changing climate and the uncertain transition to a low-carbon world. In private markets, which inherently have less availability and standardization of ESG metrics relative to public markets, we continue to progress multiple efforts to better collect, aggregate, evaluate and measure financially material ESG data or information from private companies and third parties.

Transparency

If you would like additional information in relation to ESG integration practices applicable to your portfolio and or ESG information where applicable for In-House Funds held within your Portfolio, please contact your BlackRock Relationship Manager.

15. Stewardship at BlackRock

At BlackRock, investment stewardship is core to our role as an asset manager and a fiduciary to our clients.

As stewards of our clients' assets, we engage with companies and vote at shareholder

meetings to promote sound corporate governance and business practices that support companies in delivering durable, risk-adjusted financial returns over time. We are committed to building strong relationships through constructive, ongoing dialogue with the boards and executive management of the companies in which our clients are invested.

As a link between our clients and the public companies they are invested in, BlackRock offers a range of investment stewardship options to reflect clients' individual investment choices and goals.

BlackRock's stewardship policies are developed and implemented separately by two independent, specialist teams, BlackRock Investment Stewardship (BIS) and BlackRock Active Investment Stewardship (BAIS). While the two teams operate independently, their general approach is grounded in widely recognized norms of corporate governance and shareholder rights and responsibilities.

BIS is a dedicated function within BlackRock, which is responsible for engagement and voting in relation to clients' assets invested in index equity strategies. As of June 30, 2025, clients held $6.9 trillion in public equity assets under management (AUM), with approximately 90% invested in index equity strategies[2]..

BAIS partners with BlackRock's active investment teams on company engagement and voting in relation to their holdings.

Index or active, our BlackRock stewardship teams, and all of our stewardship efforts across the firm, are focused on making decisions consistent with our clients' stated objectives.

BlackRock' s stewardship program has four key pillars:

1.Engaging with the boards and management of companies

BlackRock stewardship analysts engage with the boards and management of companies, in which clients are invested, to deepen our understanding of a company's business model, including how they are overseeing material business risks and opportunities over time, and/or to help inform our voting on behalf of clients.[3]

2. Voting at shareholder meetings BlackRock votes on management and shareholder proposals on behalf of clients who have authorized us to vote on their behalf.

3. Contributing to industry dialogue on stewardship

BlackRock's stewardship teams contribute to market-level discussions to share matters that may impact our clients' investments.

4. Reporting on our stewardship activities

BlackRock informs clients about our stewardship activities on their behalf through a range of publications on our website and direct client communications.

Offering more choice to meet our clients' investment needs

In addition to BlackRock's stewardship policies - developed and implemented independently by BIS and BAIS - BlackRock offers two additional stewardship options to provide clients with more choice to meet their investment needs.

BlackRock Voting Choice – sometimes known as pass-through voting – provides eligible clients with more opportunities to participate in the proxy voting process, where legally and operationally viable.

Climate Stewardship Program - The climate and decarbonization stewardship program applies only to funds that have climate and decarbonization objectives and that have been explicitly approved for inclusion in the program by the respective governing body. Separately managed accounts clients may also instruct BlackRock to apply the program to their holdings. BIS and BAIS separately administer the program for their respective in-scope strategies.

We are committed to providing clients with a range of choices to support their individual investment needs and preferences.

To learn more about stewardship at BlackRock, please refer to the website available here: https://www.blackrock.com/corporate/insights/investment-stewardship

16. Recording of Telephone Conversations

Pursuant to applicable regulation in certain jurisdictions, we are required to record telephone conversations between us and our clients, which are made, sent or received in the course of providing certain regulated activities. Further, we may record telephone conversations for business purposes.

We will keep records of telephone conversations in accordance with applicable regulatory and/or business requirements.

17. Privacy and Data Protection

The BlackRock entities that process your Personal Information do so as Data Controllers. Information on how your Personal Information is processed is

[2] Source: BlackRock, Inc. Estimate based on figures reported in BlackRock Inc.'s financial results as of June 30, 2025, which indicated that approximately 50% of total equity AUM was held in iShares ETFs, and a further 39% of total equity AUM was invested in index strategies on behalf of institutional clients. See: "BlackRock's Q2 2025 Quarterly Results."

[3] On February 11, 2025, the U.S. Securities and Exchange Commission (SEC) staff issued updated guidance for shareholders' "passivity" status in regards to engaging with their portfolio companies on corporate governance and stewardship topics. We comply with the requirements and do not use engagement as a way to control publicly traded companies.

available in the BlackRock Privacy Notice: https://www.blackrock.com/corporate/compliance/privacy-notice.

18. Miscellaneous

18. 1 Trading on Notification

Subject to anything expressly stated to the contrary in the relevant Agreement, BlackRock will begin to place trade orders on the understanding that any cash required will be made available by you on the applicable settlement date, without confirming that sufficient cash is available to cover such trades. BlackRock will not be responsible for any consequences resulting from the lack of sufficient cash or acting upon your instruction.

18.2 Access to and Allocation of Initial Public Offerings (“IPOs”) and Underwriting

Subject to any client constraints, we may, at our discretion, apply for IPOs, new issues, accept placings or underwriting commitments on behalf of clients in relation to any issue or offer for sale of securities, or effect transactions on the client’s behalf including IPOs which may be subject to stabilisation.

Where permitted, placings, IPOs, sub underwritings, etc. may be accepted on behalf of clients in general, and it may be necessary to allocate a restricted supply of a security (or, in the case of underwriting, the contingent commitment to make the purchase together with the related commission) to a suitable number of clients.

Trading patterns are not influenced by considerations of securing allocations of IPOs or underwriting.

18.3 Trade and Transaction Reporting

In the event that a trade is subject to trade and/or transaction reporting in a particular jurisdiction, you understand and acknowledge that any of BlackRock, brokers or counterparties to such trades or other market participants such as clearing houses, trading platforms or affirmation platforms may be required to report details of such trades, including, without limitation, disclosing trade information to a trade repository and/or to relevant regulators, and that such disclosures could result in certain transaction and pricing data becoming available to the public.

18.4 Custody Services

BlackRock does not provide direct custody services.
Many client investments do not require a custodian relationship, however, if a custodian is required clients should choose their own custodian with whom BlackRock will work in relation to their portfolio. For certain clients whose mandates require a custodian, subject to approval BlackRock may offer a “facilitated” custody model in the Europe, Middle East and Africa (EMEA) region. Under this arrangement, clients will directly appoint Bank of New York (BNY) as custodian using a bilateral Global Custody Agreement, with BlackRock having no contractual custody obligations or involvement in holding client money.
Features of this model include:

- A pre-negotiated Global Custody Agreement with BNY.
- An enhanced client on-boarding process at BNY.
- BlackRock will pay all normal custody fees associated with the account.
- Formalised custodian process oversight/issue escalation to BlackRock.

18.5 Cash Management

BlackRock can provide cash management services to diversify cash balances away from a client’s custodian bank and therefore mitigate counterparty risk.

The primary cash management service, subject to any client constraints, is to use BlackRock’s liquidity funds.

However, for those exceptional situations when a client is unable to use BlackRock’s liquidity funds, we may be able to use other cash management instruments which may include placing money on deposit with a range of financial institutions. Where money is placed on deposit for a client, it will be held in an account in the client or the client’s custodian’s name. BlackRock will operate a mandate over that account in accordance with the applicable regulatory requirements. BlackRock will select financial institutions based upon its extensive credit research methodology.

18.6 Client Money

In the normal course of BNBV’s investment management business, it will not hold a client’s money. A client may however pay BNBV money in relation to management fees and if BNBV identifies de minimis discrepancies between the amount owed to BNBV for management fees per BlackRock’s internal accounting records and the amount paid by you to settle these fees, reasonable efforts will be made by BNBV to identify the cause of such discrepancies.

If BNBV are unable to reconcile the discrepancy and its value is less than EURO 10.00 (or local currency equivalent), then BNBV may conclude that this discrepancy is as a result of arithmetic rounding differences between BlackRock’s systems and your own. Any underpayments of this nature and amount will be written off by BNBV.

For any overpayments, if a client money balance cannot be paid to a client, reasonable efforts will be made to contact the client at the address reflected in BNBV's records in order to facilitate payment. However, if BNBV is unable to contact a client and if the balance remains outstanding after a period of 5 years such amounts will be retained by BNBV. By entering into a contract with BNBV, clients consent to this course of action.

The following will apply to clients who are contracted with BlackRock Investment Management (UK) Limited, BlackRock Funds Managers Limited or BlackRock Advisors (UK) Limited. These BlackRock entities will be collectively referred to in this section as the "**CASS Entities**".

Any money received from or held for, or on behalf of a client by the CASS Entities in the course of providing investment products and services to a client will, where applicable, be held in accordance with the Financial Conduct Authority ("FCA") CASS Rules ("CASS Rules") on client money. No interest will be earned on these client money balances and as such, interest will not be payable to clients in respect of such monies.

Client money will be held by a regulated credit institution on behalf of the relevant CASS Entity as trustee, with the client as the beneficial owner. The CASS Entities will take all reasonable care in the selection and ongoing appointment of credit institutions that hold client money, and the liability of the CASS Entities for the acts and omissions of those credit institutions will be governed by the relevant legal agreements between the CASS Entities and the credit institutions. In the event that the credit institution becomes insolvent, the aforementioned agreements and the CASS Rules do not guarantee full protection of your monies and clients may not receive back all that was deposited. If necessary, to act in accordance with a client's instructions, CASS Entities may hold client money in a bank account at an approved bank outside the UK. In such circumstances the legal and regulatory regime applying to the approved bank will be different from that of the UK and in the event of the default of the bank such monies may be treated in a different manner from that which would apply if the money was held by a bank in the UK.

From time to time, the CASS Entities may identify de minimis discrepancies between the amount owed to the CASS Entities for management fees per BlackRock's internal accounting records and the amount paid by you to settle these fees. Reasonable efforts will be made by the CASS Entities to identify the cause of such discrepancies. If the CASS Entities are unable to reconcile the discrepancy and its value is less than GBP 1.00 (or local currency equivalent), then the CASS Entities may conclude that this discrepancy is as a result of arithmetic rounding differences between BlackRock's systems and your own. Any underpayments of this nature and amount will be written off by the CASS Entities. Any overpayments of this nature and amount will, pursuant to the FCA Rules on client money, be paid by the CASS Entities to a registered charity of the CASS Entities' choosing. By entering into a contract with the CASS Entities, clients consent to this course of action.

If a client money balance cannot be paid to a client, reasonable efforts will be made to contact the client at the address reflected in the CASS Entities' records in order to facilitate payment. However, if the CASS Entities are unable to contact a client and if the balance remains outstanding after a period of 6 years, such amounts may, pursuant to the FCA Rules on client money, be paid to a registered charity of the CASS Entities' choice and will cease to be treated as client money by the CASS Entities. By entering into a contract with the CASS Entities, clients consent to this course of action.

18.7 UK Financial Services Compensation Scheme

BlackRock Advisors (UK) Limited, BlackRock Investment Management (UK) Limited and BlackRock International Limited are covered by the Financial Services Compensation Scheme. You may be entitled to compensation from the scheme if BlackRock Advisors (UK) Limited or BlackRock Investment Management (UK) Limited cannot meet its obligations. This depends on the type of business and the circumstances of the claim. Most types of investment business are covered up to £120,000per eligible person, per firm. Further information about the Financial Services Compensation Scheme is available on request, or by contacting the FSCS Limited at 10th Floor, Beaufort House, 15 St Botolph Street, London EC3A 7QU. Tel: 0800 678 1100 or +44 (0)20 7741 4100.

18.8 Cluster Munitions

The following applies only to clients contracted with BlackRock (Netherlands) B.V.: As a financial institution with its seat in The Netherlands, BlackRock (Netherlands) B.V. adheres to Dutch regulations (under Section 21a of the Market Abuse (Financial Supervision Act) Decree (Besluit Marktmisbruik Wft)) that restrict investments in securities issued by companies involved in the production, sale, or distribution of cluster munitions, or essential parts thereof, for itself and/or on behalf of its clients.

These restrictions may impact or limit BlackRock's ability to purchase, vote or sell certain securities, or other assets on behalf of BlackRock Clients, except as permitted under applicable exceptions.

BlackRock has developed internal processes and controls, to the extent necessary, designed to comply with these regulations.

BlackRock leverages data from independent third-party providers and acknowledges that these providers may apply proprietary methodologies, subjective criteria, and distinct analytical frameworks. Consequently, assessments or classifications of individual issuers can differ across providers. Furthermore, the scope, implementation, and relevance of such data may vary by asset class and indicator.

18.9 Cannabis Related-Business Investments

BlackRock (Netherlands) B.V. is prohibited to advise on and/or transact securities issued by companies that are involved in the preparation or facilitation of commercial cannabis cultivation, for itself and/or on behalf of its clients.

18.10 Central Securities Depositories Regulation

The Central Securities Depositories Regulation ("CSDR") penalty regime applies to any transaction which results in the relevant security settling on a EEA Central Securities Depository. CSDR imposes daily penalties on trading counterparties responsible for failed settlements.

BlackRock has policies and procedures governing how CSDR penalties are investigated and allocated.

The Clients' portfolios will receive all credit penalties. In certain circumstances CSDR penalties may be borne by the Clients' portfolios.

BlackRock will monitor, report and review the monthly net financial impact and aggregate debit impact of CSDR penalties and where necessary take appropriate mitigating actions.

18. 11 Operating Incidents

Trade errors and other operational incidents resulting in an unintended outcome ("Operating Incidents") may occasionally occur in connection with BlackRock's management of funds and client accounts ("Portfolios"). BlackRock has policies and procedures in place that address identification and correction of Operating Incidents, consistent with applicable standards of care and client documentation. An Operating Incident generally is compensable when it is a mistake (whether an action or inaction) in which BlackRock has, in its reasonable view, deviated from the applicable investment guidelines or the applicable standard of care in managing a Portfolio, subject to the considerations set forth below.

Operating Incidents may include, but are not limited to: (i) the placement of orders (either purchases or sales) in excess of the amount of securities intended to trade for a Portfolio; (ii) the purchase (or sale) of a security when it should have been sold (or purchased); (iii) the purchase or sale of a security not intended for the Portfolio; (iv) the purchase or sale of a security contrary to applicable investment guidelines or restrictions; (v) failure to properly file for and/or pay taxes; and (vi) transactions with a non-authorised counterparty. Operating Incidents can also occur in connection with other activities that are undertaken by BlackRock and its affiliates, such as net asset value calculation, management fee calculations, calculations of carried interest or incentive fees, trade recording and settlement and other matters that are non-advisory in nature.

BlackRock makes its determinations regarding Operating Incidents pursuant to its policies on a case-by-case basis, in its discretion, based on factors it considers reasonable, including regulatory requirements, contractual obligations, and business practices. Not all Operating Incidents will be considered compensable errors. Relevant factors BlackRock considers when evaluating whether an Operating Incident is compensable include, among others, an observable impact, the nature of the service being provided at the time of the incident, specific applicable contractual and legal requirements and standards of care, whether an applicable investment objective or guideline was contravened, the nature of the client's investment program, and the nature of the relevant circumstances.

Operating Incidents may result in gains or losses or could have no financial impact. Clients or funds are generally entitled to retain any gain resulting from an Operating Incident. When BlackRock determines that reimbursement by BlackRock is appropriate, the client or fund will be compensated as determined in good faith by BlackRock. BlackRock will determine the amount to be reimbursed, if any, based on what it considers reasonable guidelines regarding these matters in light of all of the facts and circumstances related to the Operating Incident. In general, compensation is expected to be limited to direct and actual losses, which may be calculated relative to comparable conforming investments, market factors and benchmarks and with reference to related transactions and/or other factors BlackRock considers relevant. Compensation generally will not include any amounts or measures that BlackRock determines are speculative or uncertain.

18.12 Investment Stewardship Limitations

From time to time, BlackRock may be restricted in its investment stewardship activities due to regulatory, corporate or contractual ownership threshold limits in certain jurisdictions applying in aggregate to securities held in accounts of clients, including In-House Funds, of the BlackRock Group.

Such restrictions may cause BlackRock to limit or forgo the exercise of rights (including voting rights) on behalf of certain clients. BlackRock's stewardship policies are designed to ensure compliance with such restrictions and, to the extent possible, mitigate the impact thereof.

18.13 EU and UK Securitisation Regulations

For Clients receiving a Portfolio Management service, where the investment strategy contemplates allocations to securitised assets such as Asset Backed Securities ("ABS"), the Client as an Institutional Investor may be subject to compliance with the requirements mandated under the relevant EU or UK Securitisation Regulations governing investments in securitised assets.

These regulations require the investor inter alia to conduct both pre-trade and ongoing due diligence on the asset and to ensure that the issuer retains a material net economic interest in the scheme or transaction of not less than 5% on an ongoing basis.

It is the responsibility of the Client to inform BlackRock as to whether they fall within the definition of an EU or UK Institutional Investor and therefore subject to the rules.

Institutional Investors typically include UK/EEA based insurance or reinsurance companies authorised under the Solvency II Directive, occupational pension schemes, credit institutions. investment firms, UCITS Management Companies and Alternative Investment on.Fund Managers that manage and/or market Alternative Investment Funds (AIFs) in the EEA or UK.

18.14 Investment Management Fee Discrepancies

In the normal course of BNBV's investment management business, it will not hold a client's money. A client may however pay BNBV money in relation to management fees and if BNBV identifies discrepancies between the amount owed to BNBV for management fees per BlackRock's internal accounting records and the amount paid by you to settle these fees, reasonable efforts will be made by BNBV to identify the cause of such discrepancies.

If BNBV are unable to reconcile the discrepancy and its value is less than EURO 10.00 (or local currency equivalent), then BNBV may conclude that this discrepancy is as a result of arithmetic rounding differences between BlackRock's systems and your own. Any underpayments of this nature and amount will be written off by BNBV.

For any overpayments, if a client money balance cannot be paid to a client, reasonable efforts will be made to contact the client at the address reflected in BNBV's records in order to facilitate payment. However, if BNBV is unable to contact a client and if the balance remains outstanding after a period of 5 years such amounts will be retained by BNBV. By entering into a contract with BNBV, clients consent to this course of action.

APPENDIX 1

Appendix 1 – Summary of BlackRock Global Execution and Order Placement Policy

1. Background

The purpose of this document is to explain BlackRock's Execution and Order Placement Policy ('the Policy'), as required under the recast Markets in Financial Instruments Directive 2014/65/EU (MiFID) and Markets in Financial Instruments Regulation EU 600/2014 (MiFIR) (the Directive and Regulation together "MiFID II") and the UK version of the regulation EU 600/2014, which is part of UK Law by virtue of the European Union (Withdrawal) Act 2018 UK (Onshoring of MiFID II in the UK).

Under such rules, BlackRock is required to take all sufficient steps to obtain the best possible result when executing clients' orders. This is an obligation referred to as "best execution."

This Policy sets out how BlackRock complies with its obligation to act in the best interests of its clients when directly executing orders on behalf of clients and additionally when placing orders with entities (such as brokers and dealers) for execution, pursuant to applicable regulation. References in this Policy to the execution of client orders include the execution of clients' orders, and/or BlackRock's decisions to execute orders on behalf of its clients.

All terms used in this document are defined in accordance with MiFID II and the Onshoring of MiFID II in the UK. Additionally, a Glossary of key terms can be found in Appendix 7.

2. Scope

This document applies to:

BlackRock entities regulated by MiFID II and the Onshoring of MiFID II by the United Kingdom which execute client orders, place orders with, or transmit orders to, other entities for execution (listed below).

- BlackRock Investment Management (UK) Limited ("BIM")
- BlackRock Advisors (UK) Limited ("BAL")
- BlackRock International Limited ("BIL")
- BlackRock (Netherlands) B.V. ("BNBV")
- BlackRock Institutional Trust Company N.A, UK Branch ("BTC")
- BlackRock Asset Management Deutschland AG ("BAMDE")
- BlackRock Fund Managers Limited ("BFM"), a UCITS Management Company and Alternative Investment Fund Manager located in the United Kingdom, (only those sections of the policy required by relevant regulation)
- BlackRock France S.A.S. ("BFS")

Orders executed for Professional Clients in relation to financial instruments defined by MIFID II.

3. BlackRock's Trade Execution Model

BlackRock's trade execution model involves the centralisation of its trading platform, whereby orders are routed to specialised trading desks. Maintaining a centralized execution model allows BlackRock to create a separation of duties between trading and portfolio management for most trading activity. It also allows BlackRock to seek to optimize trade execution, which is beneficial to BlackRock's clients, through a globally consistent operating model for order communication to facilitate Global Order Routing.

BlackRock's centralized trading desks are separate from BlackRock's portfolio management function, with certain exceptions due to the uniqueness of particular investment strategies and financial instruments and are operated by BlackRock regulated entities in each jurisdiction.

Dealing desks outside the European Economic Area (the "EEA") and the United Kingdom follow similar policies, processes and procedures. However, the counterparties and trading methods used may vary from those used in the EEA and the United Kingdom given country specific practices.

BlackRock may match and cross orders received in opposite directions in the same financial instrument where permitted by applicable laws, regulations, and client agreements, and when BlackRock believes this is in the best interest of both clients. When this occurs, it is done in accordance with BlackRock's Global Crossing Policy and related procedures, which set out provisions and controls designed to manage potential conflicts of interests between clients participating in such cross trades. In the EEA and the United Kingdom, BlackRock typically identifies a crossing opportunity and executes the cross trade on a trading venue which facilitates that type of trade.

4. Order Handling Protocol

Client orders are typically executed in the order in which they are received by the trading desk unless the characteristics of the order or prevailing market conditions make this impractical, and not in the best interest of the client.

Subject to local regulatory requirements, and consistent with BlackRock's duty to seek best execution, BlackRock may find it efficient and beneficial to aggregate contemporaneous orders for multiple clients. BlackRock's Global Investment and Trading Allocation Policy sets out how BlackRock handles the aggregation of client orders and the fair allocation of financial instruments executed as part of an aggregated order over time.

5. Brokers/Counterparties & Execution Venues used by BlackRock

In seeking best execution for its clients, BlackRock may use a variety of execution venues and methods including, but not limited to, brokers acting in an agency or principal capacity, block dealing, Request for Quote ("RFQ") platforms, swap execution facilities, and sponsored access to the order books of major execution venues.

BlackRock will either:

a. Execute an order for a client on an Execution Venue or will place orders with brokers acting as market makers, liquidity providers or in a principal capacity.

b. Place orders with brokers for them to execute on the execution venue.

The current list of Execution Venues and brokers used by BlackRock can be found in Annex 1.

With our clients' consent and unless there is a regulatory obligation to trade certain financial instruments on Trading Venues, we may execute trades in financial instruments traded on Trading Venues outside such venues. This enables us to access a wider range of sources of liquidity and it is particularly desirable when trading illiquid financial instruments and/or large sizes, where we would likely aim to minimize the risk of information leakage or signalling to the market, to avoid a poor execution outcome. In these cases, we may find it more desirable to trade with a broker acting as a Systematic Internaliser or in a principal capacity.

Although there are benefits to executing trades outside of a trading venue, it should be noted that there is a risk that a broker will fail to meet its obligations in relation to the transaction ('Counterparty Risk'). While contractual remedies would be available in these circumstances, protections which may be available when trading on venues (such as buy-in procedures) may not be available. Clients can request additional information from BlackRock about the consequences of transactions being executed outside a Trading Venue.

6. Broker/Counterparty Approval Process

All prospective and existing counterparties require the approval of BlackRock's Counterparty Risk Group ("CRG"), which operates under BlackRock's independent risk management function, Risk & Quantitative Analysis Department ("RQA").

The CRG is independent from the trading and investment functions, and is responsible for developing, implementing, and updating, firmwide counterparty credit policies and procedures (collectively the "Counterparty Credit Risk Policy") that are designed to identify and evaluate counterparty credit risks and establish appropriate practices to manage these risks. All employees responsible for trade execution are required to comply with the Counterparty Credit Risk Policy.

The Global Trading and Investment Teams are required to submit all prospective trading counterparty requests to the CRG for an independence credit assessment. These views are undertaken at the legal entity level and consider the intrinsic credit quality of the trading counterparty, together with the expected transaction activities.

7. Ongoing Monitoring of Brokers/Counterparties

The CRG maintains a list of approved trading counterparties and reviews the list on an on-going basis via a number of sources including but not limited to audited and interim financial reports, rating agency reports and bulletins where available, various databases and news media and, if covered, output from the BlackRock Credit Research Group. All trading counterparties undergo a cyclical formal review and renewal on a 12 to 18-month basis.

Additional interim trading counterparty reviews may be completed in accordance with local regulatory requirements. Periodic updates are presented to the relevant best execution governance forums on counterparty risk matters, as appropriate.

8. Best Execution Obligation and Relevant Factors

BlackRock performs its best execution obligation to take all sufficient steps to obtain consistently over time the best possible results for our clients when executing or placing, or transmitting, client orders by assessing the relative weight and importance of various execution factors and other relevant considerations under the particular circumstances.

A. Execution Factors

BlackRock may consider any one or more of the following execution factors, as relevant:

- price of the relevant financial instrument net of brokers' commissions, Execution Venues' fees and other applicable execution costs
- costs incurred in execution of the transaction
- speed of execution
- likelihood of execution and settlement
- market conditions
- instrument liquidity
- size of the order
- nature of the order
- any other relevant factors

The relative importance of the execution factors for individual orders varies depending on the characteristics of the order, the financial instrument, the Execution Venues available for execution or placement of that order and the specific market conditions at the time of the trade, such as signals (e.g., indications of interest or axes) about the availability of natural liquidity.

B. Execution Factors and Characteristics of the Order

When generating an order, BlackRock's PMs specify instructions relating to the strategy they are pursuing on behalf of clients and for the nature of the order that they are generating. For example, their instructions may vary depending on whether the order was driven by cash inflows or outflows or by changes in the PM's view regarding a particular investment or type of exposure. Such instructions help influence the prioritization of the execution factors by BlackRock's traders. The instructions of PMs typically fall into one of the following categories:

Forward Benchmarks

These orders target execution at a price specified by reference to a future point in time in the future (such as "market on close" for stocks or Wm/Reuters Benchmark Rate for currencies) when the calculation of the price will take place, often by way of an auction mechanism.

This type of benchmark is widely used by index sponsors for index calculation, and it is also generally used by managers when executing orders for passive strategies in order to minimise their tracking error. Trading is typically concentrated around the specified future point in time, unless a trader believes there will be insufficient liquidity in the auction or at the close of the market; in such cases a trader may extend the trading window to execute outside of the auction while still seeking to manage tracking error appropriately.

Market on close orders typically prioritise the execution factors of likelihood and speed of execution at the required time.

Explicit Price Benchmarks

These orders (such as limit or stop orders) specify a price point at which (or at a more advantageous price than which) to buy or sell the relevant amount of a financial instrument. An explicit price benchmark can be used by active investment strategies to help mitigate total expenses. It can also be used by passive strategies, which, for similar reasons, may choose to participate in end-of-day auctions subject to a limit.

Explicit price benchmarks orders inherently prioritise price as the primary execution factor for consideration. If the explicit price benchmark can be satisfied for the order, a trader may prioritise additional factors that will most likely lead to complete execution of the order based on prevailing market conditions.

Best Efforts Benchmarks

For orders that are made available to trade immediately, with benchmarks such as arrival price, price at the time of execution or market price at the point in time when the PM assigns the order to the trading desk, are used whenever they are available and unless otherwise specified.

PMs may assign a higher degree of importance to one factor over another. For example, for orders where fulfilment of the entire trade is of highest importance, the likelihood of execution is prioritized. This is more often the case when executing orders for active strategies when the PM has a particularly strong view (whether as a result of fundamental analysis or strong quantitative signals) and tends to be less price sensitive to achieve fast execution.

Where the trader has full discretion in the execution of the order, all execution factors are considered, and prioritization varies depending on prevailing market conditions, with total consideration and likelihood of execution typically having higher importance.

Contingent Orders

Contingent orders consider the interdependency of two or more financial instruments on one another, such as the roll of futures contracts or the hedging of a credit instrument. In these cases, it is the collective benchmark of the package that drives the execution factors for consideration, rather than the application of the execution factors to the individual financial instruments that form part of the package or contingent order.

Similarly, traders may also need to consider the impact an order imparts on the overall investment outcome. For example, the execution of an order, which is part of larger basket of trades, may result in a particular investment outcome in the absence of the other orders in the basket also being executed. In such a situation, the calibration of execution timing with regard to the other orders that form the larger basket of orders may drive the consideration of execution factors, so as to minimize or eliminate unwanted market exposure. Further, investment objectives and constraints may limit PMs' and traders' ability to prioritise the execution factors.

C. Execution Factors and Characteristics of Financial Instruments

The hierarchy of execution factors that is expressed by a particular type of instruction is complemented by consideration of the characteristics of the financial instrument, as well as consideration of the size of the order, the market conditions at the time of execution of the order, and other relevant facts and circumstances, as such that the execution strategy employed for a particular order may differ significantly from executions effected in the same class of financial instruments (and even in the same security) but for different trade sizes and/or in different market conditions at the time of execution.

Listed Financial Instruments

Financial instruments listed on regulated markets or executed on regulated markets or execution venues that display bids and offers, including both securities and listed derivatives, are typically subject to a high degree of price transparency, which typically limits the need for extensive price discovery. This allows traders to focus more on the execution mechanisms that are available from brokers and whether they can easily facilitate prompt execution while mitigating the impact on the market.

When the order size is considered large relative to the average daily trading volume of the relevant financial instrument, traders will have to manage the risk of signalling to the market the existence of a large trading interest to avoid the potential detrimental impact that this may have on the execution price. Traders may therefore prioritize the use of block trading channels that manage large order sizes.

For illiquid financial instruments (or financial instruments for which liquidity is not concentrated on regulated markets or venues that display bid and offers), the need for price discovery is evaluated against the risk that information leakage might impact the overall execution outcome negatively, which may result in traders requesting quotes from market participants known to offer liquidity in the specific financial instrument to be traded.

Over the Counter ('OTC') Financial Instruments

OTC financial instruments that trade in a decentralized market, including both unlisted securities and OTC derivatives, have varying degrees of price transparency. For liquid financial instruments within a reasonable range of tradeable market sizes, traders prioritize trading venues that facilitate price discovery through requests for quotes from multiple market participants. Alternatively, traders may rely on the pricing information contained in alternative pricing sources when selecting a single broker to request a quote for the relevant financial instrument.

For less liquid financial instruments or when the order size is considered large, traders may choose their counterparty based on its perceived ability to reduce the market impact of the execution.

For the execution of trades in illiquid financial instruments, brokers who trade in the same securities or securities with similar characteristics may be prioritized.

For more complex or less liquid OTC products, where prices are not directly observable (e.g., convertible bonds or option packages), traders use available internal and external data or tools to assess the fairness of price, and the expected cost of trading, as accurately as possible under such circumstances.

D. Application of Execution Factors to Individual Classes of Financial Instruments

Listed Financial Instruments and Contracts for Difference

- Shares & Depositary Receipts
- Exchange Traded Products (Exchange Traded Funds, Exchange Traded Notes and Exchange Traded Commodities) ("ETP")
- Contracts for Difference
- Securitized Derivatives Listed Warrants & Certificates

In addition to best execution, all general Portfolio Management ("PM") instructions and considerations based on the nature of the order apply to trades in listed instruments.

Orders for listed instruments with forward benchmarks typically are executed in the closing auction for markets where such a mechanism exists. If there is not sufficient liquidity in the auction, then trading might also take place earlier or later to mitigate market impact.

For orders with a best-efforts benchmark, BlackRock typically choose an execution method most suitable for balancing price and likelihood of execution.

Where the size of an order is significant relative to available liquidity in the secondary market, traders may prioritize execution channels which provide supplemental or surrogate sources of liquidity, such as broker capital or primary ETP markets.

Listed Futures and Options

- Interest Rate Derivatives – Listed Futures & Options
- Credit Derivatives – Listed Futures & Options
- Equity Derivatives – Listed Futures & Options
- Commodities Derivatives – Listed Futures & Options

In addition to best execution, all general PM instructions and considerations based on the nature of the order apply to trades in futures and listed options.

Orders for listed instruments with forward benchmarks typically are executed in the closing auction for markets where such a mechanism exists. If there is not sufficient liquidity in the auction, then trading might also take place earlier or later to mitigate market impact.

For orders with a best-efforts benchmark, BlackRock typically choose an execution method most suitable for balancing price and likelihood of execution.

Where the size of an order is significant relative to available liquidity in the secondary market, traders may prioritize execution channels which provide supplemental or surrogate sources of liquidity, such as broker capital markets.

For liquid options within a reasonable range of tradeable market sizes, traders will prioritize trading platforms that facilitate price discovery through requests for quotes from multiple market participants.

Debt Instruments

- Bonds
- Structured Finance Instruments

While some debt instruments are listed, they are commonly traded in a decentralized OTC manner.

All general PM instructions and considerations based on the nature of the order apply to trades in debt instruments.

Orders for debt instruments with forward benchmarks typically are executed around the point in time specified by the PM, since there isn't an official closing auction in these markets. If sufficient liquidity is not available at that time, then trading might also take place earlier or later to mitigate market impact.

For orders with a best-efforts benchmark, BlackRock applies a variety of execution methods most suitable for balancing price and the impact of order size on transaction costs.

Money Market Instruments

The execution factors and criteria that BlackRock considers for money market instruments reflect the nature of these orders. Similar to the general considerations, the orders are primarily characterized by PM motivation.

For orders where completion is at the trader's discretion, price and the impact of order size on transaction costs are considered (see "Best Efforts Benchmarks")

OTC Derivatives

- Equity Derivatives
- Credit Derivatives
- Interest Rate Derivatives
- Currency Derivatives
- Commodity Derivatives
- Securitized Derivatives

While most derivative instruments are primarily traded in a decentralized OTC manner, some products may be traded on a centralized trading venue.

In addition to best execution all general PM instructions and considerations based on the nature of the order apply to trades in derivative instruments.

Orders for derivative instruments with forward benchmarks typically are executed around the point in time specified by the PM, because there is not an official closing mechanism in these markets. If sufficient liquidity is not available, then trading might also take place earlier or later to mitigate market impact.

For orders with a best-efforts benchmark, BlackRock applies a variety of execution methods suitable for balancing price and the impact of order size on transaction costs. Further, due to the OTC nature of these instruments, there is a varying degree of price transparency, so traders also need to reduce information leakage, signalling and market impact.

Different regulations could mandate that some of these instruments are required to be executed on a centralized trading venue. Instruments that have a mandatory clearing mandate are centrally cleared with a central counterparty.

Other Structured Financial Instruments

From time to time, BlackRock may decide to enter into bespoke structured transactions. When it does so, it seeks to gather structuring proposals and pricing from one or more brokers, depending on their expertise and subject to BlackRock's requirement to diversify its counterparty exposure. Typically, such transactions comprise different components and, to satisfy itself on the fairness of the price proposed by the counterparty, BlackRock may request quotes from more than one counterparty before entering into the transaction or, alternatively, may break the transactions down into their individual components and analyse the implied pricing of each component based on historical data.

Securities Finance Transactions

- Securities Lending
- Repurchase Agreements
- Physical & Synthetic Securities Financing

For securities finance transactions including securities lending, repurchase agreements and physical/synthetic financing, the execution factors and criteria that BlackRock considers include the supply and demand characteristics for the securities in question and additional considerations such as:

- current market pricing to lend or finance the specific security
- price discovery will follow a similar process to other OTC markets in that traders will prioritize Trading Venues that facilitate 'requests for price and capacity' from multiple market participants
- liquidity of the lending, financing and cash market for the relevant security
- current utilisation/availability of the security and the size of supply or demand relative to the lending or financing market will be considered when determining the likelihood of execution
- the overall utilization of a broker's balance sheet
- other factors that may include, but are not limited to:

- collateral type proposed (e.g., cash or non-cash)
- proposed duration of the securities finance transaction
- transaction costs levied by providers such as custodians, triparty banks, or broker; and
- specific or idiosyncratic factors (e.g., a pending corporate action, or expected stability of financing).

9. Broker/Counterparty & Execution Venue Selection

General Considerations

After prioritizing the execution factors based on the characteristics of the order and the financial instruments, if BlackRock has a choice of a number of brokers or Execution Venues that could equally fulfil a given order, the individual broker or Execution Venue will be selected by considering further qualitative and quantitative factors. These further factors are often specific to individual financial instruments or classes of financial instruments as the applicable market structure determines the instrument's liquidity. These additional factors include, but are not limited to:

- trade confirmation and settlement capabilities
- ability to avoid information leakage
- breadth of liquidity access across markets, currencies and products
- execution quality
- operational resilience and responsiveness to errors
- pre- and post-trade execution insights
- personnel coverage of the venue or broker
- product offering and customizations
- research provided, where permitted under applicable regulation
- liquidity-sourcing capabilities (such as the ability to source natural liquidity)
- willingness to commit capital
- risk concentration

Further Considerations, by Instrument, in the Selection of Execution Venues

Listed Instruments

Listed financial instruments that trade on an exchange may also be traded electronically. Specific factors for consideration of Execution Venue selection may include:

- types, quality and breadth of brokers traded financial instruments and functionalities
- quality of execution measured against benchmark exchange prices
- availability of algorithms and ability to adapt products to BlackRock's workflows
- access to liquidity

OTC Instruments

Venue considerations for OTC instruments vary depending upon overall liquidity and the manner in which they trade:

- for liquid OTC instruments that trade electronically, consideration is given to the type, quality and breadth of Execution Venues; and
- for instruments that do no trade electronically, consideration is given to venue liquidity, coverage of instruments and sectors and competitive quoting

Securities Finance Transactions

- BlackRock will transact only with approved counterparties, up to any applicable credit limit determined by Blackrock's CRG .
- Securities lending does not involve the execution of orders to trade but rather the allocation of loan requests submitted by brokers, BlackRock agrees and settles a requested loan allocation provided the broker has been approved, the value of the proposed transaction does not exceed the aggregate value of loans permitted, and the other execution factor considerations have been met.

Money Market Instruments

Specific factors for consideration of venue selection may include:

- liquidity and availability of instruments offered by the counterparty
- willingness of counterparties to bid back on paper
- product availability, as some issuers will limit the size of issuances available for certain maturities.

Available venues maybe limited by the issuer in certain instances, such as asset backed commercial paper. Where certain financial instruments are only available directly from the issuer or a small group of brokers, this informs the selection of the Execution Venue.

10. Prohibited Considerations in Selecting Broker/Counterparties & Execution Venues

BlackRock employees are prohibited from considering the following factors when selecting a broker or Execution Venue:

- a counterparty's placement of, or purchase of, any BlackRock products or BlackRock managed funds
- any personal relationships, including former employment relationships
- any personal benefit for any person associated with the employee, including but not limited to members of the employee's family or household in addition to close associates and significant others
- any gifts or entertainment received
- a broker-dealer's historical initial public offering or new issue allocations to BlackRock
- a broker-dealer's willingness to accommodate BlackRock's trading errors.

11. Services and Benefits Received from Execution Venues

BlackRock from time to time may receive the following services and/or benefits from brokers and Execution Venues:

- information or documentation relating to financial instruments or investment services that is generic in nature or personalised to reflect BlackRock's circumstances
- issuer commissioned research coverage
- participation in conferences, seminars or trading events on the benefits and features of specific financial instruments or investment services
- hospitality of *de minimis* value during meetings or those events specified in clause iii above
- connected research on an issuer in the context of an issuer capital raising
- research provided for a trial period
- and such other services and/or benefits that can be considered minor non-monetary benefits under Applicable Law from time to time.

12. Receiving a Specific Client Instruction

In instances where a client provides a specific order instruction and BlackRock follows such instruction, BlackRock will be deemed to have complied with its best execution obligation for the aspect of the execution to which the instruction relates. However, BlackRock will continue to apply this Policy to those aspects of the order not covered by the specific instruction.

13. Directed Brokerage

From time to time, a client may instruct BlackRock to execute its trades with a particular counterparty or venue or otherwise place limitations on BlackRock's discretion to determine counterparty, venue or commission. Directed brokerage arrangements typically are documented in a client's Investment Management Agreement with BlackRock, or a side letter. Subject to applicable regional regulations, such arrangements, such arrangements may involve the receipt of brokerage commissions from the client transactions in exchange for the provision of services directly to the client or the payment of certain expenses on behalf of the client. The execution timing, levels and/or trading costs may be compromised when entering into directed brokerage arrangements.

Alternatively, a client may direct BlackRock to execute a certain proportion of their overall trading to a broker that meets specific criteria set by the client (e.g., an emerging broker). BlackRock traders use their judgement to decide which trades to execute with such directed brokers and balance a client's directed brokerage requirements with trying to obtain the best overall result for the client.

Implications on Commission Rates

In directed brokerage arrangements, BlackRock may not be able to freely negotiate commission rates or spreads, obtain volume discounts on aggregated orders or select counterparties on the basis of best price and execution. As a result, directed brokerage transactions may result in higher commissions, greater spreads, or less favourable execution, than would normally be the case if BlackRock were able to choose the broker.

Step-out transactions

In certain instances where BlackRock is instructed by a client to execute transactions with a specific broker or dealer, BlackRock may “step out” part of an aggregated order in order to have the directed broker or dealer clear and settle that portion of the trade.

14. Monitoring

BlackRock performs multiple types of monitoring to help ensure its order execution arrangements remain suitable for the purpose of seeking to deliver the best client outcomes. Some aspects of monitoring include transaction cost analysis (TCA), senior management oversight in governance committees (Trading Oversight Committees) and compliance and risk monitoring activities. The specific scope and content of monitoring may vary depending on the data that is available, for the relevant asset class, in the market. As new data sources and pricing models become available, they are assessed for potential inclusion in our monitoring.

Transaction Cost Analytics (TCA)

BlackRock utilizes in-house TCA systems, to assess whether trading costs are in line with BlackRock’s expectations.

BlackRock’s TCA platform quantifies the full cost of trading, which includes cost contributions from commissions, spreads, market impact, and the opportunity costs that arise from not executing a trade. The total impact from order handling and routing decisions is captured by these measures. Transactions are evaluated against a range of pre-trade, intra-day, and post-trade benchmarks to holistically assess trading performance against the market context. Trading results can be examined in a TCA tool taking into account a broad array of attributes, such as by counterparty, trader, benchmark, or market, allowing for a focused evaluation of each category.

Governance

BlackRock performs reviews of its trading activity in regular Trading Oversight Committees which review execution quality, the effectiveness of execution arrangements and the effectiveness of this Policy. The Trading Oversight committees are also charged with making enhancements to BlackRock’s execution arrangements and this Policy, where deemed appropriate. The oversight committees are global in nature and cover all asset classes. Trading, Investments, Risk, and Legal & Compliance are represented on each Committee.

Compliance Monitoring

The Global Trade Surveillance and Forensic Testing team, within Legal & Compliance, is responsible for post trade, second line monitoring. The team conducts ongoing, routine, sample based and risk-based tests for adherence to the Policy, currently with a focus on pricing, timeliness of execution and broker selection criteria. Any deficiencies identified are escalated to the relevant Trading Oversight Committee.

RQA Oversight

Where applicable, RQA meets regularly with the relevant business to review and examine execution outlier patterns. The key objectives are to evaluate that execution decisions made by the business over time appear consistent with policy requirements, and ensuring adequate records are kept when point-in-time analysis is undertaken on outlier trades.

15. Periodic Review of Policy and Order Execution Arrangements

BlackRock is required, under applicable regulations, to review this policy and its order execution arrangements at least on an annual basis for its adequacy and the effectiveness of its implementation. It is also required to review this policy whenever a material change occurs that affects BlackRock’s ability to continue to obtain the best possible result for its clients.

A material change means a significant event of an internal or external nature, that could materially impact the relevant best execution factors listed in this Policy or the execution venues or entities to which BlackRock transmits client orders for execution, on which BlackRock places significant reliance in meeting its overarching best execution requirement. Any of the following events may, but will not necessarily in all circumstances, amount to such a material change: regulatory changes that materially alter the market structure for certain classes of financial instruments or that otherwise require changes to BlackRock's arrangements and processes; BlackRock's observation of a significant and consistent deterioration in the liquidity offered and in the quality of execution achieved on a trading venue or from a broker or dealer,

As part of Global Trading and RQA's continuous framework for evaluating execution quality and governance, along with oversight processes related to monitoring best execution, on an ongoing basis, BlackRock will consider whether it could consistently obtain better execution results if it were to:

- include additional or different Execution Venues or entities
- remove any existing Execution Venues or entities
- assign a different relative importance to the best execution factors
- or modify any other aspects of this Policy and/or execution arrangements.

The effectiveness of BlackRock's order execution arrangements is tested and monitored by Global Trading and any identified deficiencies are escalated to the relevant Oversight Committees. As new data sources and pricing models become available, they are assessed for potential inclusion in our monitoring. BlackRock tests both the effectiveness of the execution venues that it selects when executing client orders and the execution quality of the entities where it places orders for clients.

16. Conflicts of Interest

BlackRock's Global Conflicts of Interest Policy (the "Conflicts Policy") governs BlackRock's responsibility to place its clients' interests first and to identify and manage any conflicts of interest inherent to BlackRock's business. The Conflicts Policy requires that BlackRock employees report any actual or potential conflicts of interest to their supervisor and to Legal & Compliance. Amongst other things, the Conflicts Policy also requires employees to act solely in the best interests of clients and avoid, or otherwise mitigate, conflicts of interest, which may involve curtailing or terminating an activity or seeking client consent.

17. Information Provided to Clients

In accordance with relevant regulatory requirements, BlackRock is required to disclose certain information to clients regarding this Policy, including appropriate information about BlackRock and its services, and in some jurisdictions, additional information about the consequences of executing outside a trading venue and the entities chosen for execution.

Appendix 1 Execution Venues and Brokers

Execution Venues and Brokers (as of 31st October 2025)

This list is subject to change and may vary from time to time. Arrangements may vary depending on contractual arrangements with clients.

EQUITIES – Shares & Depositary Receipts

ABG SUNDAL COLLIER ASA
ABSA BANK LTD
ACADEMY SECURITIES INC
BANCROFT CAPITAL LLC
BANK OF AMERICA CORP
BANK OF MONTREAL
BARCLAYS CAPITAL INC.
BARCLAYS CAPITAL SECURITIES LTD
BARCLAYS PLC
BARRENJOEY MARKETS PTY LIMITED
BERNSTEIN AUTONOMOUS LLP
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BNP PARIBAS
BNP PARIBAS SECURITIES CORPORATION
BOFA SECURITIES INC.
BRADESCO SECURITIES INC
BTG PACTUAL US CAPITAL, LLC
BTIG LIMITED
BTIG SINGAPORE PTE LTD
BTIG, LLC
CABRERA CAPITAL MARKETS LLC
CANACCORD GENUITY (AUSTRALIA) LTD
CANACCORD GENUITY GROUP INC
CANACCORD GENUITY LIMITED
CANACCORD GENUITY LLC
CANTOR FITZGERALD & COMPANY
CANTOR FITZGERALD EUROPE
CANTOR FITZGERALD LP
CAPITAL SECURITIES CORPORATION
CARNEGIE INVESTMENT BANK AB
CASA DE BOLSA FINAMEX SAB DE CV
CASA DE BOLSA SANTANDER SA
CASTLEOAK SECURITIES, L.P.
CAVENDISH SECURITIES PLC
CGS INTL SECS SINGAPORE PTE. LTD
CHINA INTERNATIONAL CAPITAL CORP
CHINA INTL CAPITAL CORPORATION
CIBC WORLD MARKETS CORP.
CITADEL SECURITIES LLC
CITIBANAMEX CASA DE BOLSA SA DE CV
CITIC SECURITIES COMPANY LIMITED
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP GLOBAL MARKETS TAIWAN SECURITIES CO LTD
CITIGROUP INC
CL SECURITIES TAIWAN COMPANY LTD
CLSA LIMITED
CORMARK SECURITIES
CRAIGS INVESTMENT PARTNERS LTD
DAIWA CAPITAL MARKETS EUROPE LTD
DAIWA SECURITIES GROUP INC
DANSKE BANK A/S
EFG HERMES IFA FINANCIAL BROKERAGE COMPANY KSCC
EUROZ HARTLEYS LTD
EVANS AND PARTNERS PTY LTD
FLEXTRADER
FORSYTH BARR LTD
FUBON SECURITIES CO., LTD
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS (ASIA) L.L.C.
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
GOLDMAN SACHS MEXICO CASA DE BOLSA SA DE CV
GOODBODY STOCKBROKERS
GREAT PACIFIC SECURITIES
GUZMAN & COMPANY
HAITONG INTERNATIONAL SECURITIES CO
HONGKONG AND SHANGHAI BANKING CORPORATION LTD
HSBC BANK PLC
HSBC HOLDINGS PLC
HSBC SECURITIES (TAIWAN) CO., LTD.
HSBC SECURITIES (USA) INC
ICICI SECURITIES LIMITED
IIFL CAPITAL SERVICES LTDINSTINET EUROPE LIMITED
INSTINET LLC
INVESTEC BANK PLC
INVESTEC PLC
ITAU BBA USA SECURITIES, INC.
J & E DAVY
J.P. MORGAN CASA DE BOLSA, S.A. DE
J.P. MORGAN CHASE & CO
J.P. MORGAN SECURITIES (TAIWAN) LTD.
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET CAPITAL, LLC
JANE STREET EXECUTION SERVICES, LLC
JARDEN SECURITIES LTD
JEFFERIES FINANCIAL GROUP INC
JEFFERIES INTERNATIONAL LIMITED
JEFFERIES LLC
JM FINANCIAL INSTITUTIONAL SECURITI
JOH. BERENBERG, GOSSLER & CO. KG
JONESTRADING INSTITUTIONAL SERVICES LLC
KEPLER CHEUVREUX S.A.
KEYBANC CAPITAL MARKETS INC.
KEZAR TRADING, LLC
KOTAK MAH BK
KOTAK SECURITIES LIMITED
LEERINK PARTNERS LLC
LIMITED
LIQUIDNET ASIA LTD
LIQUIDNET EUROPE LIMITED
LIQUIDNET INC
LOOP CAPITAL MARKETS, LLC
MACQUARIE CAPITAL (EUROPE) LIMITED
MACQUARIE CAPITAL (USA) INC.
MACQUARIE GROUP LTD
MERRILL LYNCH INTERNATIONAL
MERRILL LYNCH MEXICO SA DE CV CASA DE BOLSA

MERRILL LYNCH SECURITIES (TAIWAN) LTD
MIB SECURITIES (HONG KONG) LIMITED
MIRAE ASSET SECURITIES CO LTD
MISCHLER FINANCIAL GROUP, INC.
MISCHLER FINANCIAL GROUP, INC.
MIZUHO INTERNATIONAL PLC
MIZUHO SECURITIES USA LLC
MOELIS AUSTRALIA SECURITIES P/L
MORGAN STANLEY
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTERNATIONAL
MORGAN STANLEY MEXICO CASA DE BOLSA SA DE CV
MORGAN STANLEY SAUDI ARABIA
MORGAN STANLEY TAIWAN LIMITED
MOTILAL OSWAL FINANCIAL SERVICES
NATIONAL BANK FINANCIAL INC.
NATIONAL BANK OF CANADA
NOMURA HOLDINGS INC
NOMURA INT HK LTD (TAIPEI BRANCH)
NOMURA SECURITIES INTERNATIONAL INC
NORDEA BANK ABP
NORTHERN TRUST SECURITIES LLP
NUMIS SECURITIES LTD
NUVAMA WEALTH MANAGEMENT
ODDO BHF SCA
OPPENHEIMER & CO. INC.
OPTIVER V.O.F.
PANMURE LIBERUM LIMITED
PEEL HUNT LLP
PEEL HUNT LTD
PENSERRA SECURITIES LLC
PIPER SANDLER & CO.
PIPER SANDLER COMPANIES
RAYMOND JAMES & ASSOCIATES INC
RAYMOND JAMES LTD.
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
REDBURN (EUROPE) LIMITED
ROBERT W BAIRD & CO INC
ROTH CAPITAL PARTNERS, LLC
SAMSUNG SECURITIES CO., LTD
SAMUEL A. RAMIREZ & CO., INC
SANTANDER US CAPITAL MARKETS LLC
SCOTIA CAPITAL (USA), INC
SHAW AND PARTNERS LIMITED
SHORE CAPITAL STOCKBROKERS LIMITED
SIEBERT WILLIAMS SHANK & CO. LLC
SKANDINAVISKA ENSKILDA BANKEN AB
SMBC NIKKO SECURITIES INC.
SNB CAPITAL COMPANY SJSC
SOCIETE GENERALE
STANDARD BANK OF SOUTH AFRICA LTD
STERN BROTHERS & CO.
STIFEL NICOLAUS EUROPE LIMITED
STUART FRANKEL & CO. INC.
SUMITOMO MITSUI FIN GRP INC
SUSQUEHANNA FINANCIAL GROUP LLLP
SVENSKA HANDELSBANKEN AB
TD EXECUTION SERVICES LIMITED
TD SECURITIES (USA) LLC
TD SECURITIES INC
TOURMALINE PARTNERS, LLC
TP ICAP MARKETS LIMITED
TRADEWEB MARKETS LLC
UBS AG
UBS GROUP AG
UBS SECURITIES LLC
UBS SECURITIES PTE LTD, TAIPEI BRAN
VAN LANSCHOT KEMPEN N.V.
VIRTU AMERICAS LLC
VIRTU EUROPE TRADING LIMITED
VIRTU ITG HONG KONG LIMITED
WELLS FARGO & COMPANY
WELLS FARGO SECURITIES LLC
WINTERFLOOD SECURITIES LIMITED
XP INVESTMENTS US, LLC
YUANTA SECURITIES CO., LTD.
ZKB SECURITIES UK LTD

DEBT INSTRUMENTS – Bonds

ABN AMRO BANK NV
ABSA BANK LTD
ACADEMY SECURITIES INC
ADVISORS ASSET MANAGEMENT, INC.
AGRICULTURAL BANK OF CHINA LIMITED
ALAMO CAPITAL
AMERICAN VETERANS GROUP PBC
ANZ GROUP HOLDINGS LTD
ANZ SECURITIES INC.
ASL CAPITAL MARKETS INC
AUREL BGC
AUSTRALIA AND NEW ZEALAND
BANCO BILBAO VIZCAYA ARGENTARIA S.A
BANCO CITI MEXICO, S.A.
BANCO HSBC S.A.
BANCO JP MORGAN SA INSTITUCION DE BANCA MULTIPLE JP MORGAN GRUPO FINANCIERO
BANCO SANTANDER (MEXICO), S.A., INS
BANCO SANTANDER SA
BANK OF AMERICA CORP
BANK OF AMERICA MEXICO SA INSTITUCION DE BANCA MULTIPLE
BANK OF AMERICA NA
BANK OF CHINA
BANK OF CHINA (HONG KONG) LIMITED
BANK OF COMMUNICATIONS CO., LTD
BANK OF MONTREAL
BANK OF NEW ZEALAND
BARCLAYS BANK MEXICO SA
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BARCLAYS CAPITAL SECURITIES LTD
BARCLAYS PLC
BARCLAYS SECURITIES JAPAN LIMITED
BARRENJOEY MARKETS PTY LIMITED
BAYERISCHE LANDESBANKEN

BBVA MEXICO, S.A.
BBVA SECURITIES INC.
BC ZIEGLER & CO.
BCP SECURITIES, INC
BENCHMARK SECURITIES LLC
BLACKROCK EXECUTION SERVICES
BLAYLOCK VAN, LLC
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BMO NESBITT BURNS INC
BNP PARIBAS
BNP PARIBAS (CHINA) LIMITED
BNP PARIBAS FINANCIAL MARKETS SNC
BNP PARIBAS SECURITIES CORPORATION
BNP PARIBAS SECURITIES JAPAN LTD
BNY MELLON CAPITAL MARKETS LLC
BOFA SECURITIES INC.
BOFA SECURITIES JAPAN CO., LTD
BOK FINANCIAL CORPORATION
BOKF, NA
BOLSA SA DE CV
BPCE SA
BRADESCO SECURITIES INC
BREAN CAPITAL, LLC
BROWNSTONE INVESTMENT GROUP, LLC
BTG PACTUAL US CAPITAL, LLC
BTIG LIMITED
BTIG, LLC
C.L. KING & ASSOCIATES, INC
CABRERA CAPITAL MARKETS LLC
CAIXABANK, SA
CANADIAN IMPERIAL BANK OF COMMERCE
CANTOR FITZGERALD & COMPANY
CANTOR FITZGERALD EUROPE
CASA DE BOLSA FINAMEX SAB DE CV
CASGRAIN & COMPANY (USA) LIMITED
CASTLEOAK SECURITIES, L.P.
CHINA INTERNATIONAL CAPITAL CORP HONG KONG SECURITIES LTD
CHINA INTL CAPITAL CORPORATION
CHINA SECURITIES LTD
CIBC WORLD MARKETS CORP.
CIBC WORLD MARKETS INC
CIMB BANK BERHAD
CITADEL SECURITIES (EUROPE) LIMITED
CITADEL SECURITIES INSTITUTIONAL LLC
CITIBANK (CHINA) COMPANY LIMITED
CITIBANK NA
CITIC SEC INTL GLOBAL MARKETS LTD
CITIC SECURITIES COMPANY LIMITED
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS JAPAN INC
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP INC
CLSA AMERICAS, LLC
CMB INTERNATIONAL GLOBAL MARKETS LTD
COMMERZ MARKETS LLC
COMMERZBANK AG
COMMONWEALTH BANK OF AUSTRALIA
COOPERATIEVE RABOBANK U.A.
CREDICORP CAPITAL COLOMBIA S.A S.C.
CREDICORP CAPITAL, LLC
CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK SA
CREDIT AGRICOLE SECURITIES (USA) IN
CREDIT INDUSTRIEL ET COMMERCIAL
DAIWA CAPITAL MARKETS AMERICA INC.
DAIWA CAPITAL MARKETS EUROPE LTD
DAIWA SECURITIES CO LTD
DAIWA SECURITIES GROUP INC
DANSKE BANK A/S
DAVENPORT & COMPANY LLC
DBS BANK LTD (SINGAPORE BRANCH)
DESJARDINS SECURITIES INC
DEUTSCHE BANK (CHINA) CO., LTD
DEUTSCHE BANK AG
DEUTSCHE BANK SECURITIES INC.
DEUTSCHE SECURITIES INC.
DNB BANK ASA
DUNCAN WILLIAMS
DZ BANK AG DEUTSCHE ZENTRAL GENOSSENSCHAFTSBANK FRANKFURT AM MAIN
ERSTE GROUP BANK AG
EVERCORE INC
FHN FINANCIAL SECURITIES CORP.
FIDELITY CAPITAL MARKETS, DIV. OF NATIONAL FINANCIAL SERVICES LLCFIFTH THIRD SECURITIES, INC.FIRST ABU DHABI BANK PJSC
FIRST HORIZON BANK, N.A.
FIRST HORIZON CORP
FIRST TRYON SECURITIES, LLC
FIRSTRAND BANK LIMITED
FLEXTRADER
FLOW TRADERS B.V.
FLOW TRADERS U.S. INSTITUTIONAL TRADING LLC
FMSBONDS, INC.
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
GOLDMAN SACHS JAPAN CO. LTD.
GOLDMAN SACHS MEXICO CASA DE BOLSA SA DE CV
GOODBODY STOCKBROKERS
GREAT PACIFIC SECURITIES
GUOTAI JUNAN SECURITIES (HONG KONG)
GUOTAI JUNAN SECURITIES CO., LTD
HAITONG INTERNATIONAL SECURITIES CO
HERBERT J SIMS & CO., INC
HILLTOP HOLDINGS INC
HILLTOP SECURITIES INC.
HONGKONG AND SHANGHAI BANKING CORPORATION LTD
HSBC BANK (CHINA) COMPANY LIMITED
HSBC BANK PLC
HSBC HOLDINGS PLC

HSBC MEXICO SA INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO HSBC
HSBC SECURITIES (USA) INC
HUATAI FINANCIAL HOLDINGS (HONG KONG) LTDHUNTINGTON SECURITIES, INC.
HUATAI SECURITIES CO LTD
ICBC STANDARD BANK PLC.
ICE BONDS SECURITIES CORPORATION
ICICI BANK LIMITED
ICICI SEC PRIMARY DEAL LTD
IMPERIAL CAPITAL LLC
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LTD
ING BANK NV
ING FINANCIAL MARKETS LLC
INSPEREX LLC
INTESA SANPAOLO IMI SECURITIES CORP
INTESA SANPAOLO SPA
ITAU BBA USA SECURITIES, INC.
J & E DAVY
J.P. MORGAN CHASE & CO
J.P. MORGAN CHASE BANK (CHINA) COMPANY
J.P. MORGAN CHASE BANK N.A.
J.P. MORGAN SECURITIES JAPAN CO LTD
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET EXECUTION SERVICES, LLC
JANE STREET FINANCIAL LIMITED
JANNEY MONTGOMERY SCOTT LLC
JEFFERIES FINANCIAL GROUP INC
JEFFERIES INTERNATIONAL LIMITED
JEFFERIES LLC
KBC BANK N.V.
KEPLER CHEUVREUX S.A.
KEYBANC CAPITAL MARKETS INC.
LANDESBANK BADEN WUERTTENBERG
LANDESBANK HESSEN THUERINGEN GIROZENTRALE
LARRAIN VIAL SA CORREDORA DE BOLSA
LAURENTIAN BANK SECURITIES INC.
LIQUIDNET INC
LLOYDS BANK CORPORATE MARKETS PLC
LLOYDS SECURITIES INC
LOOP CAPITAL MARKETS LLC
MALAYAN BANKING BERHAD
MARKETAXESS CAPITAL LIMITED
MARKETAXESS CORPORATION
MARKETAXESS EUROPE LTD
MEDIOBANCA
MERRILL LYNCH INTERNATIONAL
MESIROW FINANCIAL HOLDINGS INC
MESIROW FINANCIAL INC
MIDDLEGATE SECURITIES LTD.
MILLENNIUM ADVISORS, LLC
MILLENNIUM EUROPE LIMITED
MIRAE ASSET SECURITIES CO LTD.
MISCHLER FINANCIAL GROUP, INC.
MITSUBISHI UFJ FINANCIAL GROUP
MITSUBISHI UFJ MORGAN STANLEY
MIZUHO FINANCIAL GROUP INC
MIZUHO INTERNATIONAL PLC
MIZUHO SECURITIES ASIA LIMITED
MIZUHO SECURITIES CO.,LTD
MIZUHO SECURITIES USA LLC
MORGAN STANLEY
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTERNATIONAL
MORGAN STANLEY MEXICO CASA DE
MS INDIA PRIMARY DEALER PVT LTD
MUFG SECURITIES AMERICAS INC
MUFG SECURITIES EMEA PLC
NATIONAL AUSTRALIA BANK LIMITED
NATIONAL BANK FINANCIAL INC.
NATIXIS S.A.
NATIXIS SECURITIES AMERICAS LLC
NATWEST GROUP PLC
NATWEST MARKETS PLC
NATWEST MARKETS SECURITIES INC
NEDBANK LIMITED
NH INVESTMENT & SECURITIES CO., LTD
NOMURA FIXED INCOME SECURITIES LTD
NOMURA HOLDINGS INC
NOMURA INTERNATIONAL PLC
NOMURA SECURITIES COMPANY LIMITED
NOMURA SECURITIES INTERNATIONAL INC
NORDDEUTSCHE LANDESBANK
NORDEA BANK ABP
NYKREDIT BANK A/S
ODDO BHF SCA
OKASAN SECURITIES CO LTD
OLD MISSION MARKETS LLC
OP CORPORATE BANK PLC
OPPENHEIMER & CO. INC.
ORIENT SECURITIES COMPANY LIMITED
OVERSEA-CHINESE BANKING CORPORATION LTD
PENSERRA SECURITIES LLC
PERFORMANCE TRUST CAPITAL PARTNERS LLC
PING AN BANK CO LTD
PIPER SANDLER & CO.
PIPER SANDLER COMPANIES
PNC CAPITAL MARKETS INC
PNC FINANCIAL SERVICES GROUP INC (THE)
R. SEELAUS & CO., LLC.
RAYMOND JAMES & ASSOCIATES INC
RAYMOND JAMES FINANCIAL INC.
RAYMOND JAMES LTD.
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
ROBERT W BAIRD & CO INC
ROOSEVELT & CROSS, INC
ROYAL BANK OF CANADA
RUE LA BOETIE SASSAMCO CAPITAL MARKETS, INC
SAMUEL A. RAMIREZ & CO., INC
SANTANDER US CAPITAL MARKETS LLC
SCOTIA CAPITAL (USA), INC

SCOTIA CAPITAL INC
SCOTIABANK CHILE
SCOTIABANK COLPATRIA S.A.
SCOTIABANK INVERLAT SA
SEAPORT GLOBAL SECURITIES LLC
SG AMERICAS SECURITIES LLC
SHINKIN SECURITIES CO., LTD
SIEBERT WILLIAMS SHANK & CO. LLC
SKANDINAVISKA ENSKILDA BANKEN AB
SMBC BANK INTERNATIONAL PLC
SMBC NIKKO SECURITIES AMERICA, INC.
SMBC NIKKO SECURITIES INC.
SOCIETE GENERALE
STANDARD CHARTERED BANK
STANDARD CHARTERED BANK (CHINA) LTD
STATE STREET CORP
STATE STREET GLOBAL MARKETS, LLC
STEPHENS INC
STERN BROTHERS & CO.
STIFEL FINL CORP
STIFEL NICOLAUS AND CO INC
STIFEL NICOLAUS EUROPE LIMITED
STONEX FINANCIAL INC
STONEX FINANCIAL LTD
SUMITOMO MITSUI FIN GRP INC
SUMRIDGE PARTNERS, LLC
SUSQUEHANNA FINANCIAL GROUP LLLP
SVENSKA HANDELSBANKEN AB
SWBC INVESTMENT SERVICES, LLC
SWEDBANK
TD SECURITIES (USA) LLC
TD SECURITIES AUTOMATED TRADING LLC
TD SECURITIES INC
THE SEAPORT GROUP EUROPE LLP
THE TORONTO DOMINION BANK
TRADEWEB DIRECT LLC
TRADEWEB EUROPE LIMITED
TRADEWEB EXECUTION SERVICES LTD
TRADEWEB MARKETS LLC
TRADITION LONDON CLEARING LIMITED
TRB CAPITAL MARKETS LLC
TRUIST FINANCIAL CORP
TRUIST SECURITIES, INC.U.S. BANCORP INVESTMENTS, INC.
UBS AG
UBS FINANCIAL SERVICES INC
UBS GROUP AG
UBS SECURITIES LLC
UMB BANK, N.A.
UNICREDIT BANK AG
UNITED OVERSEAS BANK LIMITED
US BANCORP
VIRTU AMERICAS LLC
WELLS FARGO & COMPANY
WELLS FARGO BANK NA
WELLS FARGO SECURITIES INTERNATIONAL LTD
WELLS FARGO SECURITIES LLC
WESTPAC BANKING CORP ABN
XP INVESTMENTS US, LLC
ZUERCHER KANTONALBANK

DEBT INSTRUMENTS – Money Market Instruments

ABN AMRO BANK NV
ACADEMY SECURITIES INC
AGRICULTURAL BANK OF CHINA LIMITED
ASL CAPITAL MARKETS INC
AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD
BANCO BILBAO VIZCAYA ARGENTARIA S.A
BANCO CITI MEXICO, S.A.
BANCO JP MORGAN SA INSTITUCION DE BANCA MULTIPLE J
BANCO SANTANDER (MEXICO), S.A., INS
BANCO SANTANDER SA
BANK OF AMERICA CORP
BANK OF AMERICA MEXICO SA INSTITUCION DE BANCA MULTIPLE
BANK OF COMMUNICATIONS CO., LTD
BANK OF MONTREAL
BANK OF NOVA SCOTIA
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BBVA MEXICO, S.A.
BBVA SECURITIES INC.
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BMO NESBITT BURNS INC
BNP PARIBAS
BNP PARIBAS (CHINA) LIMITED
BNP PARIBAS SECURITIES CORPORATION
BNY MELLON CAPITAL MARKETS LLC
BOFA SECURITIES INC.
CABRERA CAPITAL MARKETS LLC
CASTLEOAK SECURITIES, L.P.
CHINA CONSTRUCTION BANK CORPORATION
CHINA INTL CAPITAL CORPORATION
CIBC WORLD MARKETS CORP.
CITADEL SECURITIES INSTITUTIONAL LLC
CITIBANK (CHINA) COMPANY LIMITED
CITIC SECURITIES COMPANY LIMITED
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS JAPAN INC
CITIGROUP GLOBAL MARKETS LIMITED
COMMERZBANK AG
COMMONWEALTH BANK OF AUSTRALIA
COOPERATIEVE RABOBANK U.A.
CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK SA
DAIWA CAPITAL MARKETS AMERICA INC.
DAIWA CAPITAL MARKETS EUROPE LTD
DAIWA SECURITIES CO LTD
DANSKE BANK A/S
DESJARDINS SECURITIES INC
DEUTSCHE BANK (CHINA) CO., LTD

DEUTSCHE BANK AG
DEUTSCHE BANK SECURITIES INC.
DZ BANK AG DEUTSCHE ZENTRAL GENOSSENSCHAFTSBANK FRANKFURT AM MAIN
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
GOLDMAN SACHS MEXICO CASA DE BOLSA SA DE CV
HSBC BANK PLC
HSBC MEXICO SA INSTITUCION DE BANCA MULTIPLE GRUPO FINANCIERO HSBC
HSBC SECURITIES (USA) INC
ICBC STANDARD BANK PLC.
INDUSTRIAL AND COMMERCIAL BANK OF C
INTESA SANPAOLO SPA
J.P. MORGAN SECURITIES JAPAN CO LTD
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
LANDESBANK HESSEN THUERINGEN GIROZE
LOOP CAPITAL MARKETS, LLC
MARKETAXESS CORPORATION
MARKETAXESS EUROPE LTD
MERRILL LYNCH INTERNATIONAL
MITSUBISHI UFJ
MORGAN STANLEY SECURITIES CO LTD
MIZUHO INTERNATIONAL PLC
MIZUHO SECURITIES CO.,LTD
MIZUHO SECURITIES USA LLC
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTERNATIONAL
MORGAN STANLEY MUFG SECURITIES CO LTD
MUFG SECURITIES AMERICAS INC
MUFG SECURITIES EMEA PLC
NATIONAL BANK FINANCIAL INC.
NATIXIS S.A.
NATWEST MARKETS PLC
NOMURA INTERNATIONAL PLC
NOMURA SECURITIES COMPANY LIMITED
NOMURA SECURITIES INTERNATIONAL INC
ORIENT SECURITIES COMPANY LIMITED
OVERSEA-CHINESE BANKING CORPORATION LTD
PING AN BANK CO LTD
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
SANTANDER US CAPITAL MARKETS LLC
SCOTIA CAPITAL (USA), INC
SCOTIA CAPITAL INC
SCOTIABANK INVERLAT SA
SIEBERT WILLIAMS SHANK & CO. LLC
SMBC BANK INTERNATIONAL PLC
SMBC NIKKO SECURITIES AMERICA, INC.
SMBC NIKKO SECURITIES INC.
SOCIETE GENERALE (NY BRANCH)
STANDARD CHARTERED BANK
STANDARD CHARTERED BANK (CHINA) LTD
SUMITOMO MITSUI BANKING CORP (SYDNEY BRANCH)
TD FINANCIAL PRODUCTS LLC
TD SECURITIES (USA) LLC
TD SECURITIES INC
THE TORONTO DOMINION BANK
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
TRADITION LONDON CLEARING LIMITED
TRUIST SECURITIES, INC.
UBS AG
WELLS FARGO SECURITIES LLC

GOVERNMENT BOND DERIVATIVES – Futures & Options admitted to trading on a trading venue

HSBC BANK PLC

INTEREST RATE DERIVATIVES – Futures & Options admitted to trading on a trading venue

BARCLAYS BANK PLC
BARCLAYS CAPITAL INC
BNP PARIBAS
BNP PARIBAS SECURITIES CORPORATION
BOFA SECURITIES INC.
CITIGROUP GLOBAL MARKETS INC
CITIGROUP GLOBAL MARKETS LIMITED
DEUTSCHE BANK AG
DEUTSCHE BANK SECURITIES INC
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
HSBC SECURITIES (USA) INC
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
SG AMERICAS SECURITIES, LLC
SOCIETE GENERALE INTERNATIONAL LTD
UBS AG
UBS SECURITIES LLC
WELLS FARGO SECURITIES LLC

INTEREST RATE DERIVATIVES – Swaps, forwards & other interest rates derivatives

ANZ GROUP HOLDINGS LTD
BANCO BILBAO VIZCAYA ARGENTARIA SA
BANCO SANTANDER SA
BANK OF AMERICA CORP
BANK OF MONTREAL
BANK OF NOVA SCOTIA
BARCLAYS PLC
BLOOMBERG TRADEBOOK LLC
BNP PARIBAS SA
BPCE SA
CANADIAN IMPERIAL BANK OF COMMERCE
CITADEL SECURITIES SWAP DEALER LLC
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP INC
COMMONWEALTH BANK OF AUSTRALIA
DANSKE BANK A/S
DEUTSCHE BANK AG
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
HSBC HOLDINGS PLC
ING GROEP NV
J.P. MORGAN SECURITIES PLC
JEFFERIES FINANCIAL GROUP INC
JPMORGAN CHASE & CO
LLOYDS BANKING GROUP PLC
MERRILL LYNCH INTERNATIONAL
MITSUBISHI UFJ FINANCIAL GROUP
MIZUHO FINANCIAL GROUP INC
MORGAN STANLEY
MORGAN STANLEY & CO. INTERNATIONAL
NATWEST GROUP PLC
NOMURA HOLDINGS INC
NORDEA BANK ABP
ROYAL BANK OF CANADA
RUE LA BOETIE SAS
SKANDINAVISKA ENSKILDA BANKEN AB
SOCIETE GENERALE SA
STANDARD CHARTERED PLC
TDCOWEN
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
UBS GROUP AG
WELLS FARGO & COMPANY
WESTPAC BANKING CORP

COMMODITIES DERIVATIVES – Futures & Options admitted to trading on a trading venue

BARCLAYS CAPITAL INC
BARCLAYS CAPITAL INVESTMENT BANKING
BNP PARIBAS SECURITIES CORP
BOFA SECURITIES INC.
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
DEUTSCHE BANK SECURITIES INC
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC SECURITIES (USA) INC
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTL PLC
RBC CAPITAL MARKETS, LLC.
SG AMERICAS SECURITIES, LLC
SOCIETE GENERALE INTERNATIONAL LIMITED
UBS SECURITIES LLC

CREDIT DERIVATIVES – other credit derivatives

BANK OF AMERICA CORP
BANK OF AMERICA NA
BARCLAYS BANK PLC
BARCLAYS PLC
BLOOMBERG TRADEBOOK LLC
BNP PARIBAS SA
CITIBANK NA
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP INC
DEUTSCHE BANK AG
GOLDMAN SACHS BANK USA
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
HSBC HOLDINGS PLC
ICE BONDS
J.P. MORGAN CHASE & CO
J.P. MORGAN CHASE BANK
J.P. MORGAN SECURITIES PLC
JEFFERIES FINANCIAL GROUP INC
MERRILL LYNCH INTERNATIONAL
MIZUHO FINANCIAL GROUP INC
MORGAN STANLEY
MORGAN STANLEY & CO. INTERNATIONAL
ROYAL BANK OF CANADA
SOCIETE GENERALE
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
UBS GROUP AG
WELLS FARGO & COMPANY

CURRENCY DERIVATIVES – Futures & Options admitted to trading on a trading venue

BANK OF AMERICA NA
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BNP PARIBAS SA
CITIGROUP GLOBAL MARKETS INC.
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC

J.P. MORGAN SECURITIES LLC
JP MORGAN SECURITIES PLC
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTERNATIONAL
WELLS FARGO SECURITIES LLC

CURRENCY DERIVATIVES – Swaps, forwards & other currency derivatives

360T
AUSTRALIA AND NEW ZEALAND
BANCO SANTANDER SA
BANK OF AMERICA NA
BANK OF AMERICA SECURITIES EUROPE SA
BANK OF MONTREAL
BANK OF NEW YORK MELLON
BANQUE PICTET ET CIE SA
BARCLAYS BANK IRELAND PLC
BARCLAYS BANK PLC
BNP PARIBAS
BROWN BROTHERS HARRIMAN & CO
CANADIAN IMPERIAL BANK OF COMMERCE
CITIBANK EUROPE PLC
CITIBANK NA
CITIGROUP GLOBAL MARKETS LIMITED
COMMONWEALTH BANK OF AUSTRALIA
CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK SA
DEUTSCHE BANK AG
DEUTSCHE SECURITIES INC.
FLEXTRADERGOLDMAN SACHS BANK EUROPE, SE
GOLDMAN SACHS BANK USA
GOLDMAN SACHS INTERNATIONAL
GOLDMAN SACHS JAPAN CO. LTD.
HONGKONG AND SHANGHAI BANKING CORPORATION LTD
HSBC BANK PLC
HSBC BANK USA, NA
HSBC CONTINENTAL EUROPE SA
INTEGRAL
J.P. MORGAN AG
J.P. MORGAN SECURITIES PLC
JPMORGAN CHASE BANK NA
LLOYDS BANK CORPORATE MARKETS
MERRILL LYNCH INTERNATIONAL
MITSUBISHI UFJ TRUST AND BANKING CO
MORGAN STANLEY & CO. INTERNATIONAL
MORGAN STANLEY CAPITAL SERVICES LLC
MORGAN STANLEY EUROPE SE
MORGAN STANLEY MUFG SECURITIES CO.
MUFG BANK, LTD
NATIONAL AUSTRALIA BANK LIMITED
NATWEST MARKETS NV
NATWEST MARKETS PLC
NOMURA INTERNATIONAL PLC
ROYAL BANK OF CANADA
SKANDINAVISKA ENSKILDA BANKEN AB
SOCIETE GENERALE
STANDARD CHARTERED BANK
STATE STREET BANK AND TRUST COMPANY
THE NORTHERN TRUST COMPANY
THE TORONTO-DOMINION BANK
UBS AG
UBS EUROPE SE
WELLS FARGO BANK NA
WESTPAC BANKING CORP

STRUCTURED FINANCE INSTRUMENTS

ACADEMY SECURITIES INC
BANCO SANTANDER SA
BANK OF AMERICA CORP
BANK OF MONTREAL
BANK OF NOVA SCOTIA
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BAY CREST PARTNERS, LLC
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BMO NESBITT BURNS INC
BNP PARIBAS
BNP PARIBAS SECURITIES CORPORATION
BNY MELLON CAPITAL MARKETS LLC
BOFA SECURITIES INC.
BOKF, NA
BREAN CAPITAL, LLC
BRED BANQUE POPULAIRE
BROWNSTONE INVESTMENT GROUP, LLC
BTIG, LLC
CANADIAN IMPERIAL BANK OF COMMERCE
CANTOR FITZGERALD & COMPANY
CIBC WORLD MARKETS CORP.
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP INC
COMMONWEALTH BANK OF AUSTRALIA
DAIWA CAPITAL MARKETS AMERICA INC.
DEUTSCHE BANK AG
DEUTSCHE BANK SECURITIES INC.
DZ BANK AG DEUTSCHE ZENTRAL GENOSSENSCHAFTSBANK FRANKFURT AM MAIN
FHN FINANCIAL SECURITIES CORP
FIRST TRYON SECURITIES, LLC
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
HILLTOP SECURITIES INC.
HSBC BANK PLC
HSBC SECURITIES (USA) INC
INTESA SANPAOLO SPA
J.P. MORGAN CHASE & CO
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC

JANE STREET FINANCIAL LIMITED
JANNEY MONTGOMERY SCOTT LLC
JEFFERIES FINANCIAL GROUP INC
JEFFERIES INTERNATIONAL LIMITED
KEYBANC CAPITAL MARKETS INC.
LLOYDS BANK CORPORATE MARKETS PLC
LLOYDS SECURITIES INC
LOOP CAPITAL MARKETS, LLC
MARKETAXESS CORPORATION
MERRILL LYNCH INTERNATIONAL
MIZUHO FINANCIAL GROUP INC
MIZUHO INTERNATIONAL PLC
MIZUHO SECURITIES USA LLC
MORGAN STANLEY
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
MUFG SECURITIES AMERICAS INC
NATIONAL AUSTRALIA BANK LIMITED
NATIONAL BANK FINANCIAL INC.
NATIXIS S.A.
NATIXIS SECURITIES AMERICAS LLC
NOMURA HOLDINGS INC
NOMURA INTERNATIONAL PLC
NOMURA SECURITIES INTERNATIONAL INC
OPPENHEIMER & CO. INC.
PERFORMANCE TRUST CAPITAL PARTNERS LLC
PNC CAPITAL MARKETS LLC
R. SEELAUS & CO., LLC.
RAYMOND JAMES & ASSOCIATES INC
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
ROBERT W BAIRD & CO INC
SANTANDER US CAPITAL MARKETS LLC
SCOTIA CAPITAL (USA), INC
SCOTIA CAPITAL INC
SEAPORT GLOBAL SECURITIES LLC
SMBC BANK INTERNATIONAL PLC
SMBC NIKKO SECURITIES AMERICA, INC.
SOCIETE GENERALE (NY BRANCH)
STANDARD CHARTERED BANK
STEPHENS INC
STIFEL NICOLAUS AND CO INC
STONEX FINANCIAL INC
TD SECURITIES (USA) LLC
TD SECURITIES INC
TRADEWEB EUROPE LIMITED
TRADEWEB EXECUTION SERVICES LTD
TRADEWEB MARKETS LLC
U.S. BANCORP INVESTMENTS, INC.
UBS AG
UMB BANK, N.A.
WELLS FARGO & COMPANY
WELLS FARGO SECURITIES INTERNATIONAL LTD
WELLS FARGO SECURITIES LLC
WESTPAC BANKING CORP ABN

NON-EQUITY INDEX DERIVATIVES – Futures & Options admitted to trading on a trading venue

GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
JANE STREET FINANCIAL LIMITED
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO INTERNATIONAL PLC

EQUITY DERIVATIVES – Futures & Options admitted to trading on a trading venue

BANK OF AMERICA NA
BANK OF MONTREAL
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BNP PARIBAS
BNP PARIBAS SECURITIES CORPORATION
BOFA SECURITIES INC.
BOFA SECURITIES INDIA LIMITED
CITADEL SECURITIES LLC
CITIBANK NA
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
J.P. MORGAN CHASE BANK
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET EXECUTION SERVICES, LLC
JEFFERIES LLC
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
NOMURA SECURITIES INTERNATIONAL INC
OPPENHEIMER & CO. INC.
RBC CAPITAL MARKETS, LLC.
ROYAL BANK OF CANADA
SG AMERICAS SECURITIES, LLC
SUSQUEHANNA FINANCIAL GROUP LLLP
TRADEWEB MARKETS LLC
UBS AG
UBS SECURITIES LLC
WELLS FARGO SECURITIES LLC

EQUITY DERIVATIVES – Swap & other equity derivatives

AIB GROUP PLCBANK OF AMERICA CORP
BANK OF AMERICA NA
BARCLAYS CAPITAL INC

BARCLAYS CAPITAL SECURITIES LTD
BARCLAYS PLC
BERNSTEIN AUTONOMOUS LLP
BNP PARIBAS
BNP PARIBAS SECURITIES CORP
BOFA SECURITIES INC.
BTIG LIMITED
CABRERA CAPITAL MARKETS LLC
CANACCORD GENUITY LIMITED
CANTOR FITZGERALD EUROPE
CARNEGIE INVESTMENT BANK AB
CAVENDISH SECURITIES PLC
CHINA INTERNATIONAL CAPITAL CORP
CITIBANK NA
CITIC SECURITIES COMPANY LIMITED
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
CITIGROUP INC
CLSA LIMITED
DAIWA CAPITAL MARKETS EUROPE LIMITED
DANSKE BANK A/S
EFG HERMES IFA FINANCIAL BROKERAGE COMPANY KSCC
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS GROUP INC/THE
GOLDMAN SACHS INTERNATIONAL
GOODBODY STOCKBROKERS
HAITONG INTERNATIONAL SECURITIES CO
HONGKONG AND SHANGHAI BANKING CORPORATION LTD
HSBC BANK PLC
HSBC HOLDINGS PLC
HSBC SECURITIES (USA) INC
INSTINET EUROPE LIMITED
INSTINET LLC
INVESTEC BANK PLC
J & E DAVY
J.P. MORGAN CHASE & CO
J.P. MORGAN CHASE BANK
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET FINANCIAL LIMITED
JEFFERIES INTERNATIONAL LIMITED
JOH. BERENBERG, GOSSLER & CO. KG
KEPLER CHEUVREUX S.A.
LIQUIDNET EUROPE LIMITED
MACQUARIE BANK LIMITED
MACQUARIE CAPITAL (EUROPE) LIMITED
MACQUARIE CAPITAL (USA) INC.
MERRILL LYNCH INTERNATIONAL
MIZUHO INTERNATIONAL PLC
MORGAN STANLEY
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
NOMURA HOLDINGS INC
NORDEA BANK ABP
NORTHERN TRUST SECURITIES LLP
NUMIS SECURITIES LTD
ODDO BHF SCA
OPTIVER V.O.F.
PANMURE LIBERUM LIMITED
PEEL HUNT LLP
PEEL HUNT LTD
RBC EUROPE LTD
REDBURN (EUROPE) LIMITED
SG AMERICAS SECURITIES, LLC
SHORE CAPITAL STOCKBROKERS LIMITED
SKANDINAVISKA ENSKILDA BANKEN AB
SMBC NIKKO SECURITIES INC.
SOCIETE GENERALE
STIFEL NICOLAUS EUROPE LIMITED
SUMITOMO MITSUI FIN GRP INC
TD EXECUTION SERVICES LIMITED
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
UBS AG
UBS GROUP AG
UBS SECURITIES LLC
VAN LANSCHOT KEMPEN N.V.
VIRTU EUROPE TRADING LIMITED
WELLS FARGO SECURITIES LLC
WINTERFLOOD SECURITIES LIMITED
ZKB SECURITIES UK LTD

SECURITIZED DERIVATIVES –
Warrants & Certificate Derivatives

BARCLAYS CAPITAL SECURITIES LTD
BNP PARIBAS SECURITIES
BOFA SECURITIES INC.
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
CLSA LIMITED
CORPORATION
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
INSTINET LLC
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JEFFERIES INTERNATIONAL LIMITED
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO INTERNATIONAL PLC
PANMURE LIBERUM LIMITED
SOCIETE GENERALE PARIS
UBS AG
UBS SECURITIES LLC

SECURITIZED DERIVATIVES –
Other Securitized Derivatives

N/A

CREDIT DERIVATIVES –
Futures & Options admitted to trading on a trading venue

BARCLAYS BANK PLC
BARCLAYS CAPITAL INC
BLOOMBERG TRADEBOOK LLC
BNP PARIBAS
BNP PARIBAS SECURITIES CORP
BOFA SECURITIES INC.
CACEIS BANK
CITADEL SECURITIES LLC
CITIGROUP GLOBAL MARKETS INC
CITIGROUP GLOBAL MARKETS LIMITED
DEUTSCHE BANK AG
DEUTSCHE BANK SECURITIES INC.
DZ BANK AG DEUTSCHE ZENTRAL-GENOSSE
FLEXTRADER
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS BANK EUROPE, SE
GOLDMAN SACHS INTERNATIONAL
HONGKONG AND SHANGHAI BANKING CORPORATION LTD
HSBC BANK PLC
HSBC CONTINENTAL EUROPE SA
HSBC SECURITIES (USA) INC
INTERNATIONAL
J.P. MORGAN CORRETORA DE CAMBIO E V
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET EXECUTION SERVICES, LLC
JANE STREET FINANCIAL LIMITED
JP MORGAN, SE (NON-SEGREGATED)
JPMORGAN CHASE & CO
LANDESBANK BADEN WUERTTENBERG
MERRILL LYNCH INTERNATIONAL
MIZUHO SECURITIES USA LLC
MORGAN STANLEY
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO.
MORGAN STANLEY EUROPE SE
MORGAN STANLEY MUFG SECURITIES CO.
NOMURA INTERNATIONAL PLC
NOMURA SECURITIES INTERNATIONAL INC
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTDSG AMERICAS SECURITIES, LLC
SOCIETE GENERALE CAPITAL CANADA INC
SOCIETE GENERALE INTERNATIONAL LTD
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
UBS AG
UBS EUROPE, SE
UBS SECURITIES LLC
WELLS FARGO SECURITIES LLC

COMMODITIES DERIVATIVES –
Other commodities derivatives

BANK OF AMERICA NA
BARCLAYS CAPITAL INC
BNP PARIBAS SA
BNP PARIBAS SECURITIES CORP
CITIBANK NA
CITIGROUP GLOBAL MARKETS INC.
COINBASE, INC.
CUMBERLAND DRW LLC
FLEXTRADER
FLOW TRADERS B.V.
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
HSBC SECURITIES (USA) INC
J.P. MORGAN CHASE BANK
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JSCT LLC
MACQUARIE BANK LIMITED
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO LLC
MORGAN STANLEY & CO. INTL PLC
RBC CAPITAL MARKETS, LLC.
ROYAL BANK OF CANADA
SOCIETE GENERALE
UBS SECURITIES LLC

EXCHANGE TRADED PRODUCTS

BARCLAYS CAPITAL INC.
BARCLAYS CAPITAL SECURITIES LTD
BLOOMBERG TRADEBOOK LLC
BMO CAPITAL MARKETS CORP.
BNP PARIBAS
BNP PARIBAS SECURITIES CORPORATION
BOFA SECURITIES INC.
BTIG, LLC
CABRERA CAPITAL MARKETS LLC
CANTOR FITZGERALD & COMPANY
CASA DE BOLSA FINAMEX SAB DE CV
CASA DE BOLSA SANTANDER SA
CASTLEOAK SECURITIES, L.P.
CITADEL SECURITIES INSTITUTIONAL LL
CITADEL SECURITIES LLC
CITIBANAMEX CASA DE BOLSA SA DE CV
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
DEUTSCHE BANK AG
DRW EUROPE B.V.
FLEXTRADER
FLOW TRADERS B.V.
FLOW TRADERS HONG KONG LTD
FLOW TRADERS U.S. INSTITUTIONAL TRADING LLC
GOLDMAN SACHS & CO. LLC
GOLDMAN SACHS INTERNATIONAL
GOLDMAN SACHS MEXICO CASA DE BOLSA SA DE CV

HSBC BANK PLC
INSTINET LLC
J.P. MORGAN CASA DE BOLSA, S.A. DE
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JANE STREET EXECUTION SERVICES, LLC
JANE STREET FINANCIAL LIMITED
JEFFERIES INTERNATIONAL LIMITED
JEFFERIES LLC
JONESTRADING INSTITUTIONAL SERVICES LLC
KEPLER CHEUVREUX S.A.
LOOP CAPITAL MARKETS, LLC
MACQUARIE CAPITAL (USA) INC.
MERRILL LYNCH INTERNATIONAL
MERRILL LYNCH MEXICO SA DE CV CASA DE BOLSA
MISCHLER FINANCIAL GROUP, INC.
MIZUHO INTERNATIONAL PLC
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
MORGAN STANLEY MEXICO CASA DE BOLSA SA DE CV
NATIONAL BANK FINANCIAL INC.
OLD MISSION EUROPE LLP
OLD MISSION MARKETS LLC
OPPENHEIMER & CO. INC.
OPTIVER V.O.F.
PENSERRA SECURITIES LLC
RBC CAPITAL MARKETS, LLC.
RBC EUROPE LTD
SAMUEL A. RAMIREZ & CO., INC
SCOTIA CAPITAL (USA), INC
SMBC NIKKO SECURITIES INC.
SOCIETE GENERALE PARIS
SUSQUEHANNA FINANCIAL GROUP LLLP
TD SECURITIES (USA) LLC
TOURMALINE PARTNERS, LLC
TRADEWEB EUROPE LIMITED
TRADEWEB MARKETS LLC
UBS AG
UBS SECURITIES LLC
VIRTU AMERICAS LLC
VIRTU EUROPE TRADING LIMITED
WELLS FARGO SECURITIES LLC

EMISSION ALLOWANCES

N/A

OTHER INSTRUMENTS

BANK OF MONTREAL
BARCLAYS BANK PLC
BARCLAYS CAPITAL INC.
BARCLAYS CAPITAL SECURITIES LTD
BNP PARIBAS SA
BOFA SECURITIES INC.
CITIBANK NA
CITIGROUP GLOBAL MARKETS INC.
CITIGROUP GLOBAL MARKETS LIMITED
CITIZENS BANK, NATIONAL ASSOCIATION
DEUTSCHE BANK TRUST COMPANY AMERICAS
GOLDMAN SACHS INTERNATIONAL
HSBC BANK PLC
HSBC BANK PLC
J.P. MORGAN CHASE BANK
J.P. MORGAN SECURITIES LLC
J.P. MORGAN SECURITIES PLC
JEFFERIES LEVERAGED CREDIT PRODUCTS
MERRILL LYNCH INTERNATIONAL
MORGAN STANLEY & CO INTERNATIONAL PLC
MORGAN STANLEY & CO LLC
MUFG SECURITIES AMERICAS INC
NATIXIS S.A.
ROYAL BANK OF CANADA
SANTANDER US CAPITAL MARKETS LLC
SOCIETE GENERALE
TD SECURITIES INC
THE BANK OF NOVA SCOTIA (SCOTIABANK
TRUIST SECURITIES, INC.
UBS AG
WELLS FARGO BANK NA

SECURITIES FINANCING TRANSACTIONS

BANK OF AMERICA SECURITIES EUROPE SA
BANK OF MONTREAL
BANK OF NOVA SCOTIA
BARCLAYS BANK PLC
BNP PARIBAS
BOFA SECURITIES INC.

APPENDIX 2

Appendix 2 – Summary of BlackRock's Global Conflicts of Interest Policy

1. **Introduction**

2. BlackRock has implemented a Global Conflicts of Interest Policy ("the Policy") which governs the responsibility of BlackRock, Inc. and its wholly owned subsidiaries ("BlackRock") and all BlackRock employees to place the interests of BlackRock's clients first and to identify, avoid, or where they cannot be avoided, manage any conflicts of interest inherent to BlackRock's business, including, but not limited to, all types of conflicts that may arise within BlackRock's investment processes, systems and internal controls. **Scope**

The Policy covers all potential and actual conflicts that could damage a client's interests. All employees must conduct themselves in accordance with the Policy and seek to avoid even the appearance of improper behaviour.

Conflicts are generally categorised as follows and a non-exhaustive list of examples is provided by way of illustration:

2.1. BlackRock vs. Client

Conflicts between BlackRock's interests and those of its Clients

There is a risk that BlackRock could place its own interests ahead of its clients'. For instance, by making discretionary investments into funds where BlackRock is the Investment Manager and thus receiving additional fees.

2.2. BlackRock Employee vs. Client

Conflicts between interests of BlackRock staff and those of its Clients

There is a risk that situations may arise where BlackRock's staff act in their own interest rather than a client's interest. For example, as a result of staff remuneration schemes or where staff have a personal relationship, outside business activity, or a relationship with a current or prospective issuer.

Relationships between BlackRock and its Subsidiaries

There is a risk that BlackRock acts in the interest of another BlackRock business to the disadvantage of a client. For instance, by entering into arrangements on behalf of a client with an associated company on terms other than at arm's length.

2.3. Client vs. Client

Conflicts between the interests of two or more BlackRock Clients

Since BlackRock services multiple client accounts, there is a risk that the interests of one client may conflict with those of another. In such scenarios, which cannot be avoided, BlackRock must determine a course of action which is fair. For example, when BlackRock is faced with allocating available shares in a high-demand investment opportunity.

3. **Policy**

3.1. Identification & Management of Conflicts

BlackRock employees are responsible for the identification and management of conflicts and as such will:

- Take all reasonable steps to identify conflicts of interest, real or perceived that arise or may arise, including those that arise as a result of the structure and activities of other parts of the BlackRock Group
- Maintain and operate effective organisational and administrative arrangements with a view to taking all appropriate steps to prevent conflicts of interests from giving rise to a risk of damage to the interests of clients
- Help to establish, maintain and regularly update a conflicts of interest register. In addition, this record will be reviewed periodically and when there

are significant changes to the nature of services and activities undertaken, the structure of the business and new product launches; and

- Make disclosure of the nature of a conflict to a client before undertaking business for the client in cases where the measures to manage conflicts are not considered sufficient to ensure, with reasonable confidence, that risks of damage to the interests of a client will be prevented. This disclosure will be made in a durable medium and in sufficient detail to enable the client to make an informed decision about the relevant service or product.

For a conflict to exist there must be a possible disadvantage or loss to a client.

3.2. Effective Arrangements

BlackRock's organisational and administrative arrangements to manage conflicts are to be designed such that, when undertaking activities that involve a conflict of interest, relevant persons carry out those activities at an appropriate level of independence. Controls should include, as a minimum, one or more of the following:

- effective procedures to prevent or control the exchange of information where such exchange may harm the interests of one or more clients. For example, the use of an information barrier
- separate supervision of relevant persons whose principal functions involve activities that might give rise to a conflict of interest
- the removal of any direct link between the remuneration of different groups of relevant persons where there is an underlying conflict between the activities of those groups
- measures to prevent or limit any person from exercising inappropriate influence over relevant persons
- segregation of duties to prevent relevant persons being involved simultaneously or sequentially in separate services or activities where such involvement could impair the management of conflicts of interest
- involvement of senior management and the utilisation of reporting and management information as appropriate; and
- appropriate policies for example, Aggregation and Fair Allocation Policies, new product approval procedures, Code of Ethics policies (including Personal Account dealing rules)

3.3. Escalation of Conflicts to Management

Where new conflicts are identified they are to be reported to the Legal and Compliance Department and relevant Supervisor. Conflicts are to be avoided and, if not, appropriate action taken to prevent the risk of detriment to clients' interests. Conflicts are escalated to the Conflicts Oversight Committee and the relevant BlackRock Boards or the Boards' appointed committees. The key steps taken to manage the conflicts are recorded in the conflicts of interest register.

3.4. Disclosure of Conflicts to Clients

Where the risk of detriment to clients' interests may not, within reasonable confidence, be prevented, the conflict scenario is disclosed to clients prior to proceeding with the proposed arrangement, and as may be required by local regulatory requirements.

3.5. Record Keeping

The Policy and a record of the kinds of services and activities undertaken which might give rise to a conflict of interest are to be retained for at least five years, and in line with the Global Records Management Policy.

3.6. Delegation

For Alternative Investment Fund Managers Directive ("AIFMD") purposes, BlackRock may delegate portfolio management and/or risk management functions to other entities whose interests might conflict with its interests or those of the investors of the relevant Alternative Investment Fund ("AIF"), provided that each such entity has functionally and hierarchically separated the performance of its portfolio management or risk management tasks from its other potentially conflicting tasks and that the potential conflicts of interest are properly identified, managed, monitored and disclosed to the investors in the AIF.

APPENDIX 3

Appendix 3 – Transition Management Services

1. BlackRock's Commitment

BlackRock confirms that the BlackRock Transition Management team undertakes its business in compliance with the guiding principles set out in the 'Code of Best Practice for Transition Managers' ("T-Charter").

We are a founding member of the 'T-Charter' and continue to take an active role in industry discussions.

2. Legal Structure & Capacity

Transition management services are provided by BlackRock Advisors (UK) Limited, BlackRock Investment Management (UK) Limited, BlackRock International Limited and BlackRock (Netherlands) B.V., all of which are subsidiaries of BlackRock Inc. These legal entities are authorised and regulated by the Financial Conduct Authority ("FCA") acting as an Investment Manager as defined by the FCA, with the exception of BlackRock International Limited which is dual regulated by both the FCA and U.S Securities and Exchange Commission ("SEC") and BlackRock (Netherlands) B.V. which is authorised and regulated by the Dutch Authority for the Financial Markets ("AFM") and the Dutch Central Bank ("DNB"). The Transition Management Agreement ("TMA") takes the form of a modified Investment Management Agreement pursuant to which BlackRock acts exclusively in an agency capacity on behalf of its clients.

3. Delegation & Outsourced Functions

BlackRock's Transition Management team may delegate certain functions to other companies in the BlackRock Group. For example, trading may be undertaken by other BlackRock companies to take advantage of specialist expertise in an asset class or region.

4. Experience & Expertise

Transitions for EMEA clients are managed by the teams based in London and Budapest which consist of dedicated specialists who are responsible for managing all stages of the transitions.

BlackRock also has dedicated Transition Management personnel in the Netherlands, United States, Japan, Singapore, and Hong Kong. The BlackRock Transition Management team is supported by the following centralised functions: Trading; Legal and Compliance; IT and Business Operations. There is a dedicated team within Business Operations that focus primarily on transition activity.

5. Trade Execution

Trade strategy is managed by the London based Transition Management team and orders are routed to BlackRock's centralised equity, fixed income and foreign exchange ("FX") trading desks in the UK, Asia and Americas. BlackRock acts only in an agency capacity, orders are executed by arranging trades with a range of market counterparties who may be acting either as agent or principal. The BlackRock Transition Management team has no bias towards any Execution Venue or counterparty and all transactions are arranged in accordance with BlackRock's 'Execution and Order Placement Policy'. (See the 'Execution and Order Placement Policy' in Appendix 1).

6. Remuneration

BlackRock has a clear, transparent and fully disclosed revenue structure. Clients may choose to pay transition fees by direct invoice or through a fee agreed in advance with the client which is applied on market trades. The fee schedule and terms of business associated with this agreed remuneration model are included within the TMA and are fully disclosed and agreed prior to the start of any transition. Clients will pay the same transaction charges and market counterparties' fees, irrespective of the choice of remuneration method they agree with BlackRock.

For clients paying a transition fee on Fixed Income trades, these will typically be booked through BlackRock Execution Services UK ("BES UK"), a trading division of BlackRock Advisors (UK) Limited or through BlackRock

Execution Services US ("BES US") BlackRock's affiliated FINRA registered broker dealer.

For Equity trades, BES US acts as clearing broker, and provides clearing services that allow BlackRock's Transition Management team to clear and settle trades on behalf of its clients. BES US introduces Transition Management clients to third-party executing brokers. Trades are executed between the Client and settled with the relevant brokers, and any fee owed to the Transition Management team by the Client may be collected by the executing broker and paid to BES US on behalf of BlackRock's transition management team.

The transition fee applied to equity and fixed income trading is shown as a separate item on the post-transition trading report provided to clients and the aggregate fixed income and equity broker commission or broker fixed fee totals are also fully disclosed in the post trade report in conjunction with the client's agreed transition management fee.

BlackRock revenue arising from holdings of BlackRock money market funds, BlackRock Exchange Traded Funds and any other BlackRock pooled funds forming part of the transition management assignment may also be due to affiliated companies within the BlackRock Group.

BlackRock earns no additional revenue from its transition management business other than that described above. It will also provide full transparency of revenue expectations in the pre-trade report and actual revenue earned in the post-trade report, both of which are provided to clients.

APPENDIX 4

Appendix 4 – Risk Warnings

1. General

Terms that have not been defined below or in Appendix 8 (Glossary of Terms for this Document), are as defined in MiFID II and the Onshoring of MiFID II in the UK.

Clients should consider the risk factors below before investing. This list must not be taken to be comprehensive. It should also be noted that there may be new risks that arise in the future which could not have been anticipated in advance. Also, risk factors listed will apply to different investments to different degrees and, for a given investment, this degree could increase or reduce through time.

Investments may expose clients to the risk of a total loss of the amount invested plus any commission or other transaction charges. The value of investments may decline due to changes in general market conditions, economic trends or events that are not specifically related to the company, or factors that affect a particular 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 issue, recessions, or other events could have a significant impact on the investments.

We may from time to time make available to clients, investments that have additional terms and conditions, for example, a BlackRock fund or a structured product. These additional terms and conditions may be contained in various types of documents, including (without limitation) documents referred to as a “prospectus”, “offering memorandum”, “final terms” or “terms and conditions”. These documents may contain additional descriptions of risk that apply to the particular investment, and it is important that clients read these. Also, the terms and conditions of those investments may also give rise to other risks and the relevant investment to which they apply may have features that are not commonly found in the relevant category of investment. The value of investments and the income from them may fall as well as rise and an investor may not get back the amount invested.

The impact of market conditions on an investment will depend on the particular features of the investment and the way in which those features interact with each other. For example, an investment that is designed to track an index or other benchmark should (all things being equal) perform in a similar way to that index or benchmark. However, the performance of the investment may diverge from the index or benchmark, for example because: (a) the investment techniques used have not been able to replicate the index or benchmark; (b) of the effect of fees and transactional costs; or (c) the investment is exposed to other risks (such as the credit risk of the issuer as would be the case where the investment is a structured product):

Provided investments are made involving exposure to a currency other than the base currency of a collective investment scheme (“CIS”) or a separate portfolio of investments being invested in by the client (the “Portfolio”), changes in rates of exchange may cause the value of the investment to go up or down.

Where BlackRock is acting as the Investment Manager, we are permitted to undertake transactions in securities where either:

- The securities are listed investment entities or investment trusts where the issuer uses or proposes to use ‘gearing’ as an investment strategy, where money is borrowed to invest; or
- The securities invest, or propose to invest, in listed investment entities or investment trusts where the issuer uses or proposes to use gearing as an investment strategy, the client is warned that the strategy which the issuer of securities uses or proposes to use may result in:
    - Movements in the price of the securities being more volatile than the movements in the price of underlying investments;
    - Investment being subject to sudden and large falls in value; and

Clients getting back nothing at all if there is a sufficiently large fall in value in the Investment. BlackRock as Investment Manager may from time to time conduct designated investment business as defined by the Dutch Rules and FCA Rules, from offices not located in its home state, but from an alternative jurisdiction. Additionally, the Investment Manager may make an introduction, arrangements or give Investment Advice to non-domestic brokers or other third parties conducting designated investment business with the client from an office in an alternative jurisdiction. Where this is the case, the client should note that in some or all respects the regulatory system applying, including any prevailing compensation arrangements, may vary from that of the home state.

1.1. Liquidity Risk

The lack of liquidity gives rise to the risk that an investor will not be able to convert an asset to cash quickly. The risk of a lack of liquidity exists when particular investments are difficult to purchase or sell (e.g., not publicly traded and/or no market is currently available or may become less liquid in response to market developments). This can reduce a portfolio's returns because the portfolio may be unable to transact at advantageous times or prices. Investments that are illiquid or that trade in lower volumes may be more difficult to value.

Investing in illiquid assets is riskier because there might not be a way for you to get your money out of the investment at the time of your choosing or at all, or you may only be able to do so by accepting a lower price. Examples of assets with good liquidity typically include blue chip common stock and those assets in the money market. A fund with good liquidity would be characterised by having enough units outstanding to allow large transactions without a substantial change in price.

This can be driven by the portfolio's needs, for example, to accommodate margin calls on derivatives. As a result, investments may need to be sold.

Certain investments, (such as investments in restricted or non-publicly traded securities, or certain types of CIS, or property, infrastructure and land) may be relatively illiquid and there may be no public market for dealing in them. These investments could prevent the Investment Manager from liquidating unfavourable positions promptly and subject a client to substantial losses. Such investments could also impair the ability of investors to collect redemption proceeds in a timely manner.

A CIS/portfolio may from time to time, invest in investments in which a market is made by less than three independent market makers. The client should note that, in the case of a CIS, the operator of the CIS is usually the only market maker.

A CIS/portfolio may invest in investments that are not readily realisable. This refers to the situation where the relevant investment is not regularly traded or where there is no recognised market for such investments, and it may therefore be difficult to deal in any such investment or to obtain reliable information about its value or the extent of the risks to which it is exposed.

A CIS/portfolio may be exposed to finance sector companies, as a service provider or as counterparty for financial contracts (for example, derivative instruments). Liquidity in the financial markets may become restricted, or in some extreme cases, become insolvent. This may have an adverse effect on the activities of the CIS/portfolio.

1.2. Redemptions

The terms and conditions applicable to the underlying investments (especially where the underlying investment is a CIS), may mean the underlying investments may:

- be closed-ended and offer no redemption rights; or
- distribute assets in kind rather than pay
- redemptions in cash; and/or
- suspend redemptions and/or the calculation of their net asset value ("NAV"), thereby precluding a portfolio from liquidating its interest in such investments.

An investor seeking to redeem shares in a CIS may be subject to the risks of an underlying

Investment until such time that a CIS has actually received its sales proceeds from the investment.

In the event that an investment suspends redemptions or fails to pay redemption proceeds, it may not be possible for a CIS to pay redeeming investors their entire redemption amount.

Certain CISs' redemption policies may allow redemption notices with a shorter period than the CIS is actually able to sell the underlying assets that it holds. As a result of the difference between redemption policies of a CIS and of its underlying investments, an Investment Manager for a CIS may be required to select investments for liquidation on the basis of the redemption policies of such investments rather than other investment considerations.

This may result in the remaining portfolio of investments being less diverse in terms of investment strategies, number of investment managers or investments, liquidity or other investment considerations than would otherwise be the case.

In addition, the redemption of a CIS from an underlying investment could also involve expense to a CIS under the terms of the investment. Furthermore, a CIS may enter into separate agreements with certain investors, which may, by creating preferences or priorities for such investors, adversely affect the liquidity of a CIS.

1.3. Suspensions of Trading

Under certain trading conditions it may be difficult or impossible to liquidate a position. This may occur, for example, during periods of rapid price movement where the price rises or falls in one trading session, to such an extent that under the rules of the relevant exchange trading is suspended or restricted. Placing a stop-loss order will not necessarily limit an investor's losses to the intended amounts, because market conditions may make it impossible to execute such an order at the stipulated price.

1.4. Clearing House Protections

Transactions held centrally through a clearing house benefit from a number of added layers of protection. Details differ from one clearing house to another, but typical safeguards include:

- Membership obligations
- Margin and capital requirements
- Default procedures emphasizing prompt resolution and
- Maintenance of supplemental clearing house resources

Where a client accesses a clearing house indirectly through a clearing member, the protections afforded by the clearing house may differ or may be limited to the clearing house's exposure to the direct clearing member.

On request, BlackRock will explain any protection provided to the client under the clearing guarantee applicable to the derivative contracts they are trading.

1.5. Counterparty Risk

Counterparty risk relates to uncertainty in an organisation's ability to meet its obligations.

A CIS/portfolio will be exposed to credit risk on parties with whom it trades and may also bear the risk of settlement default. For example, in the event of a bankruptcy or other default of a seller of a repurchase agreement, the relevant fund could experience delays in liquidating the underlying securities.

Losses may also be incurred, including a possible decline in value of the underlying securities during the period when the relevant CIS/portfolio seeks to enforce its rights. This could reduce the levels of income and access to income during this period, and the expense of enforcing its rights.

Counterparty risks are bilateral, as both parties may face exposures depending on the value on the positions that they hold against each other.

1.6. Concentration Risk

The risk that there is an insufficient level of diversification such that a CIS/portfolio is excessively exposed to one or a limited number of investments.

1.7. Insolvency

Insolvency of, or default by BlackRock, or that of any brokers involved with client transactions, may lead to positions being liquidated or closed out without the client's consent.

In certain circumstances, a client may not get back the actual assets which they lodged as collateral, and they may have to accept any available payments in cash.

On request, BlackRock must provide an explanation of the extent to which it will accept liability for any insolvency of, or default by, other counterparties involved with their Clients.

1.8. Commissions

Before a client begins to trade, they should obtain details of all commissions and other charges for which they will be liable. If any charges are not expressed in money terms (but, for example, as a percentage of contract value), they should obtain a clear and written explanation, including appropriate examples, to establish what such charges are likely to mean in specific money terms.

In the case of futures, when commission is charged as a percentage, it will normally be as a percentage of the total contract value, and not simply as a percentage of their initial payment.

1.9. Accumulation of Fees/Expenses

As a CIS/portfolio may invest in third party funds, the investors may incur a duplication of fees and commissions (such as management fees, including performance fees, custody and transaction fees, central administration fees and audit fees). To the extent these third-party funds are permitted to invest in turn in other funds, investors may incur additional fees.

1.10. Collateral

If a client deposits collateral as security, the way in which it will be treated will vary according to the type of transaction and where it is traded. There could be significant differences in the treatment of their collateral depending on whether a client is trading on a recognised or designated investment exchange, with the rules of that exchange (and the associated clearing house) applying or trading off-exchange.

Deposited collateral may lose its identity as client's property, once dealings on their behalf are undertaken. Even if their dealings should ultimately prove profitable, a client may not get back the same assets which they deposited and may have to accept payment in cash. A client should ascertain from BlackRock how their collateral will be dealt with.

1.11. Securities Which May be Subject to Stabilisation

Stabilisation enables the market price of a security to be maintained artificially during the period when a new issue of securities is sold to the public.

Stabilisation may affect not only the price of the new issue but also the price of other securities relating to it.

The FCA allows stabilisation in order to help counter the fact that, when a new issue comes onto the market for the first time, the price can sometimes drop for a time before buyers are found.

Stabilisation is carried out by a 'Stabilisation Manager' (normally the lead investment manager responsible for bringing a new issue to market). As long as the stabilisation manager follows a strict set of rules, they are entitled to buy back securities that were previously sold to investors or allotted to institutions which have decided not to keep them. The effect of this may be to keep the price at a higher level than it would otherwise be during the period of stabilisation.

The fact that a new issue or a related security is being stabilised should not be taken as any indication of the level of interest from investors, or of the price at which they are prepared to buy the securities.

The stabilisation rules:

- limit the period when a Stabilisation Manager may stabilise a new issue;
- fix the price at which it may stabilise (in the case of shares and warrants but not bonds); and
- require it to disclose that it may stabilise but not that it is actually doing so.

1.12 Hybrid Financial Instruments

Certain financial instruments may combine features of one or more other financial instruments. For example, convertible bonds and structured products. Where this is the case, the financial instrument will typically exhibit the risks of each of those financial instruments of which it is comprised, but those risks may interact with each other in ways which magnify those risks and/or give rise to other risks and this may depend on the particular circumstances and market conditions.

1.13 Interest Rate Risk

Fixed income asset prices can decline significantly when interest rates rise. Long-term bonds are more sensitive to interest rate changes given the amount of payments accumulating in the future, making them more volatile compared to short-term bonds.

1.14 Sustainability Risks Disclosure

Sustainability risk is an inclusive term to designate an investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that relates to Environmental, Social or Governance issues.

Sustainability risk around environmental issues includes, but is not limited to,

1. **Climate physical risk:** The risk associated with the physical impacts due to climate change. Physical risk arises from the physical effects of climate change, acute or chronic. For example, frequent and severe climate-related events can impact products and services and supply chains.

2. **Climate transition risk**: Whether policy, technology, market or reputation risk arises from the adjustment to a low-carbon economy in order to mitigate climate change.

3. **Stakeholder management risk**: A broad range of positive and negative factors, traditionally considered “non-financial” that can impact an issuer’s operational effectiveness and resilience as well as its public perception, and social license to operate. Examples can include but are not limited to labour rights and community relations.

4. **Governance related:** risks can include but are not limited to risks around board independence, ownership & control, or audit & tax management. These risks can impact an issuer’s operational effectiveness and resilience as well as its public perception, and reputation affecting its profitability and in turn, its capital growth, and ultimately impacting the value of holdings in a portfolio.

These are only examples of sustainability risk factors and sustainability risk factors do not solely determine the risk profile of the investment. The relevance, severity, materiality and time horizon of sustainability risk factors and other risks can differ significantly by portfolios.

Sustainability risk can manifest itself through different existing risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.). By way of example, a portfolio may invest in the equity or debt of an issuer that could face potentially reduced revenues or increased expenditures from physical climate risk (e.g., decreased production capacity due to supply chain perturbations, lower sales due to demand shocks or higher operating or capital costs) or transition risk (e.g., decreased demand for carbon-intensive products and services or increased production costs due to changing input prices). As a result, sustainability risk factors may have a material impact on an investment, may increase the volatility, affect liquidity and may result in a loss to the value of investments in a portfolio.

The impact of those risks may be higher for strategies or portfolios with particular sectoral or geographic concentrations. For example, strategies may have geographical concentration in locations susceptible to adverse weather conditions where the value of the investments in the portfolio may be more impacted by adverse physical climate events. Strategies with a focus on emerging markets may face additional impacts on the value of its investments in companies located in such markets as a result of sustainability risks, in particular those caused by environmental events resulting from climate change, social issues (including relating to labour rights) and governance risk (including but not limited to risks around board independence, ownership & control, or audit & tax management). Additionally, disclosures or third-party data coverage associated with sustainability risks is generally less available or transparent in these markets.

Portfolios with specific sectoral concentrations such as investing in industries or issuers with high carbon intensity or high switching costs associated with the transition to low carbon alternatives, may be more impacted by climate transition risks. The stock prices of companies operating in natural resource related sectors, may also be more impacted as a result of environmental factors (both physical changes related to climate change and the transition to alternative energy), as well as social and governance factors. All or a combination of these factors may have an unpredictable impact on the relevant portfolio's investments. Under normal market conditions such events could have a material impact on the value of the portfolio.

Assessments of sustainability risk are specific to the asset class and to the portfolio's objective. Different asset classes require different data and tools to apply heightened scrutiny, assess materiality, and make meaningful differentiation among issuers and assets. Risks are considered and risk managed concurrently, by prioritizing based on materiality and on the portfolio's objective.

The impacts of sustainability risk are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts becomes available and the regulatory environment regarding sustainable finance evolves. These emerging risks may have further impacts on the value of your portfolios.

1.15 General

In addition to the above general risks, certain categories of financial instruments are impacted by additional risks, as described below.

2. Transferable Securities

2.1. Equities

Prices of equities fluctuate daily and can be influenced by many micro and macro factors such as political and economic news, corporate earnings reports, demographic trends and catastrophic events. The value of equities will go up and down and the value of a CIS/Portfolio investing in equities could incur significant losses.

When a CIS/Portfolio buys or subscribes for equities issued by a company, a CIS/Portfolio is buying a part of that company and it becomes an investor in it, which usually means it has the right to vote on certain issues.

A CIS/Portfolio can either buy new shares when the company sells them to raise money (through an initial public offering) or buy existing shares which are traded on the stock market. The aim is for the value of a CIS's/Portfolio's shares to grow over time as the value of the company increases in line with its profitability and forecasted growth.

A CIS/Portfolio may also receive a dividend, which is income paid out of the company's profits. Longer- established companies usually pay dividends whilst growing companies tend to pay lower, or no, dividends (with these an investor would typically be hoping for better capital growth).

Under normal circumstances, an investor in a company has no right to require that company to return capital to it. Unless the company chooses to return capital to the investor (for example by effecting a share buyback), or the shares carry redemption rights exercisable by the investor (which is normally not the case), the investor's only way to realise its investment will be to sell the equities to another investor.

Consequently, an investor's return from investing in the equity will depend to a large extent on the market price of the equities at the time of the sale. The market price of equity is affected by the supply of, and demand for, that equity within the market. In turn, supply and demand (and therefore the volatility of the share price) is affected by a number of factors including:

- **Domestic vs. International Factors**

The vulnerability of the company to international events or market factors, including movements in exchange rates, changes in trade or tariff policies and changes in other stock or bond markets

- **Sector Specific Factors**

These would include demand for the product the company produces, commodity prices, the economic cycle of the company's industry, changes in consumer demands, lifestyle changes and changes in technology.

- **Company Specific Factors**

These would include the company's directors, the strength of the company's management and the significance of any key personnel, the company's profit history, the company's tangible asset base, debt level and fixed cost structure, litigation, profits or losses on particular contracts, competition from within the sector, and whether the company already has a profitable business or whether it is exploring for recoverable resources or is developing a new product.

A stock market level goes up or down as the prices of the shares that are the constituents of that market go up or down. The main factor determining the price of a share is the perception of its current value to its owner.

One factor that could affect the price of equities is a change in opinion as to how well the company itself is performing or could perform in the future. This opinion is frequently based on predictions about the economic conditions in which a company is operating, which is why it might seem that stock markets go up or down depending on economic conditions.

Equities are generally a fairly volatile asset class; their value tends to go up and down more than other classes such as bonds and regulated CIS. If a client's portfolio is investing in equities, a portfolio should expect the value of its investments to go down as well as up, and a client should be comfortable with this.

Holding equities is high risk, if a portfolio has put all its money into one company and that company becomes insolvent then a portfolio will probably lose most, if not all, of its money.

In the short term, equities may go up and down in value and this can occasionally be very significant. However, if a portfolio has a wide range of equities, it reduces the likelihood of losing all or most of its money.

The liquidity of the equities may be affected by whether the equities are listed or unlisted. Where equities are unlisted it may be more difficult to deal in them or to obtain reliable information about their value (and it may therefore be difficult to establish a proper market in them for the purposes of making a subsequent sale).

On occasion a portfolio may invest in listed equity investments where the issuer proposes to use borrowing or other forms of gearing to enhance the return for or value of investments it has made without increasing the amount invested. The value of such investments may be more volatile than the underlying investments made by the issuer and may be subject to sudden and large falls in value and, if the fall in value is sufficiently large, the value of the investment may fall to zero.

If a company goes into liquidation, its investors rank behind the company's creditors (including its subordinated creditors) in relation to the realisation and distribution of the company's assets, with the result that an investor will normally only receive any money from the liquidator if there are any remaining proceeds of the liquidation once all of the creditors of the company have been paid in full.

Remember, as an investor in the company, a portfolio could lose some or all of the money that it has invested in the shares.

In addition to the above general risks, the following types of equity investments are impacted by additional risks:

2.1.1. Warrants

A warrant is a time-limited right to subscribe for shares or bonds at a particular price and is exercisable against the issuer of the warrants.

The issuer of the warrants might be either the original issuer of the underlying securities or a third-party issuer that has set aside a pool of the underlying securities to cover its obligations under the warrants, known as "covered warrants".

Generally, the success of investing in warrants depends primarily on how the underlying asset performs during the life of the warrant.

The price of the warrants will be affected by the risk factors that can affect the price of the underlying securities to which the warrant relates. A relatively small movement in the price of the underlying security results in a disproportionately large movement, unfavourable or favourable, in the price of the warrant. The prices of warrants can therefore be volatile.

The right to subscribe for underlying securities conferred by a warrant is invariably limited in time with the consequence that if the investor fails to exercise this right within the predetermined timescale, then the Investment becomes worthless. The price of a warrant may reflect the value attributed to the life of the warrant.

A client's portfolio should not buy a warrant unless it is prepared to sustain a total loss of the money it has invested plus any commission or other transaction charges.

Transactions in 'off-exchange' warrants may involve greater risk than dealing in 'exchange-traded' warrants because there is no exchange market through which to liquidate a portfolio's position, or to assess the value of the warrant or the exposure to risk. Bid and offer prices need not be quoted, and even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

Each warrant is a contract between the warrant issuer and the holder. A portfolio is therefore exposed to the risk that the issuer will not perform its obligations under the warrant.

Issuers of warrants sometimes reserve the right to nominate an extraordinary event which may result in the early expiry of a warrant series. The types of events which may be nominated as an extraordinary event are set out in the terms of issue of a warrant series:

- Suspension in trading of the underlying security; and
- De-listing of the underlying company and a takeover of the underlying company.

As a consequence of an extraordinary event, the warrant's expiry date may be brought forward, or the warrant may lapse with any intrinsic payment provided to the holder.

2.1.2. Penny Shares

A 'Penny Share' is a loose term used to describe equities which have a speculative appeal because of their low value.

If the equities in which a portfolio is invested include penny shares, a client should be aware that there may be a significant difference between the purchase and sale price of such equities and, if a portfolio needs to sell the equities, it may get back much less than it paid for them.

2.1.3. Investment Trusts

An investment trust is a company that meets certain eligibility criteria and ongoing requirements under UK legislation (including that its shares are admitted to trading on a regulated market), has been approved as an investment trust by Her Majesty's Revenue and Customs (HMRC), and has been formed for the purposes of investing in other companies or assets. An investment trust therefore gives its investors the opportunity to invest in those underlying assets on a pooled basis. In this last respect, they are similar to other pooled investment vehicles such as open-ended CISs (see Section 6 below) but, unlike open-ended investment vehicles, an investment trust is closed-ended.

This means there are a set number of shares available, and (in the absence of a formal increase in capital, share buyback and/or tender offer) this will remain the same over time.

The price of the investment trust shares consequently depends on two main factors:

- the value of the underlying investments; and
- the popularity (or unpopularity) of the investment trust shares in the market. This popularity factor is relevant because an investment trust is closed-ended and so (in the absence of new issues, buybacks and/or tender offers) has a fixed number of shares. The laws of economics say that if there is a high demand for something, but limited supply, then the price goes up. So, if an investor owns investment trust shares and there are lots of people who want to buy those shares, then the investor will

likely be able to sell them at a higher price than if there are very few people who want to buy the shares. On the other hand, if there is limited or no demand for the shares and an investor wishes to sell their shares, then the investor will have to drop the price until someone is prepared to buy.

- **NAV performance and share price performance**

The NAV performance is not the same as share price performance, and shareholders may realise returns that are lower or higher than NAV performance.

- **Discount to NAV**

  Investment trust shares frequently trade at a discount to the NAV, which occurs when the share price is less than the NAV.

  If investment trust shares are trading at a discount to the NAV per share, the price that a client pays or receives for a share would be less than the value attributable to that share by reference to underlying assets held by the investment trust. The discount is the difference between the share price and the NAV per share, expressed as a percentage of the NAV.

- **Premium to NAV**

  A premium occurs when the share price is greater than the NAV per share and a client would therefore pay or receive more for each share than the value attributable to the shares by reference to the underlying assets.

The result is that investment trust shares do not simply reflect the value of the underlying investments, they also reflect their popularity in the market. This feature may make them more volatile than other pooled investments (such as open-ended CIS) assuming the same underlying investments.

- **Gearing**

Investment trusts can borrow money to invest. This is known as 'gearing', which improves an investment trust's performance when its investments are doing well. On the other hand, if its investments do not do as well as expected, gearing lowers performance.

An investment trust that is geared is a higher risk investment than one which is not geared (assuming the same underlying investments).

2.1.4. Venture Capital Trusts ("VCTs")

Venture Capital Trusts were introduced by the UK government in 1995 to encourage investment in smaller unquoted companies. They provide a source of capital for small companies and help the UK economy to develop.

A VCT is a company, run by a manager, which invests in other companies that are not quoted on a stock exchange but may be listed on the Alternative Investment Market ("AIM"); VCTs themselves are listed on the London Stock Exchange, with strict limits laid down by HM Revenue and Customs on the assets in which they can invest.

There are tax advantages offered to UK investors in new VCTs. However, they are complex products which carry a certain level of risk. VCTs should be considered as long-term investments and it is important that a client understands the risks before investing in them, which are:

- There may be a limited secondary market for shares, this may make them hard to sell. To partially address this issue, some VCT managers offer a buy back facility, normally at a discount to the NAV.
- VCTs are designed to provide capital for small companies and each VCT will invest in a number of companies. There is a risk that these companies may not perform as hoped and, in some circumstances, may fail completely.
- Typically, those of the VCT's assets that are (in accordance with the limits referred to above) not invested in venture capital investments, are invested in money market securities/gilts/cash deposits etc. Some, however, invest part of these assets in investment vehicles which

may raise the overall risk profile of the fund still further.

- If certain criteria are not met, the initial tax advantages might be withdrawn.
- The levels of charges for VCTs may be greater than for other investments, and may also charge performance fees and
- As with any asset-backed investment, the value of a VCT depends on the performance of the underlying assets, so a portfolio may get back less than it originally invested, even taking into account the tax breaks (if applicable).

2.1.5. Real Estate Investment Trusts ("REITs")

A REIT is a pooled investment vehicle, which invests primarily in income producing real estate or real estate related loans or interests.

REITs are sometimes referred to as equity REITs or mortgage REITs. An equity REIT invests primarily in properties and generates income from rental and lease properties.

Equity REITs also offer the potential for growth as a result of property appreciation and, in addition, from the sale of appreciated property. Mortgage REITs invest primarily in real estate mortgages, which may secure construction, development or long-term loans, and derive income for the collection of interest payments.

REITs are organised as companies and their shares are generally listed on the stock exchange.

In some jurisdictions, REITs qualify for beneficial tax treatment provided they invest in accordance with certain rules. Like any investment in real estate, a REIT's performance depends on many factors, such as its ability to find tenants for its properties, to renew leases, and to finance property purchases and renovations; REITs may be affected by changes in underlying real estate values, which may have an exaggerated effect to the extent a REIT concentrates its investment in certain regions or property types. For example, rental income could decline because of extended vacancies, increased competition from nearby properties, tenants' failure to pay rent, or incompetent management. Property values could decrease because of overbuilding, environmental liabilities, uninsured damages caused by natural disasters, a general decline in the neighbourhood, losses due to casualty or condemnation, increases in property taxes, or changes in zoning laws. Ultimately, a REITs performance depends on the types of properties it owns and how well the REIT manages its properties.

During periods of rising interest rates, REITs may lose some of their appeal for investors who may be able to obtain higher yields from other income-producing investments, such as long-term bonds. Higher interest rates also mean that financing for property purchases and improvements is more costly and difficult to obtain.

When interest rates are declining, certain mortgage REITs may hold mortgages that mortgagors elect to prepay, which can reduce the yield on securities issued by mortgage REITs. Mortgage REITs may be affected by the ability of borrowers to repay debts to the REIT when due and equity REITs may be affected by the ability of tenants to pay rent.

Similarly, to small-cap stocks in general, certain REITs have relatively small market capitalisation and their securities can be more volatile than (and at times will perform differently from) large-cap stocks. In addition, because small-cap stocks are typically less liquid than large-cap stocks, REIT stocks may sometimes experience greater Share-price fluctuations than the stocks of larger companies.

REITs are dependent upon specialised management skills, have limited diversification, and are therefore subject to risks inherent in operating and financing a limited number of projects.

2.1.6. Depositary Receipts

Depositary Receipts include American or European Depositary Receipts ("ADRs' or 'EDRs"), Global Depositary Receipts or shares ("GDRs' or 'GDSs") or other similar global instruments that are receipts representing ownership of shares of a foreign-based issuer held in trust by a bank or similar financial institution.

These securities are designed for U.S and European securities markets as alternatives to purchasing underlying securities in their corresponding national markets and currencies.

Depositary Receipts can be sponsored or unsponsored:

- Sponsored Depositary Receipts are certificates in which a bank or financial institution participates with a custodian; and
- Issuers of unsponsored Depositary Receipts are not contractually obligated to disclose material information in the U.S. Therefore, there may not be a correlation between such information and the market value of an unsponsored Depositary Receipt.

Depositary Receipts also include securities issued by a trust representing an undivided beneficial ownership interest in the assets of the trust, usually common stocks of a group of companies. The trust generally holds the deposited common stocks for the benefit of the holders of the Depositary Receipts. Issuers generally are not registered as investment companies under the 'US Investment Company Act of 1940 (as amended)'.

The trustee of a trust is typically limited to performing only administrative and ministerial duties, for which it is paid out of trust assets. The risks of investing in Depositary Receipts generally reflect the risks of the securities held in the trust; and

The acquisition and disposal of some Depositary Receipts is limited to round-lots or round-lot multiples. Depositary Receipts may trade in the secondary market at prices lower than the aggregate value of the corresponding underlying securities. In such cases, some Depositary Receipts enable the holders to realise the underlying value of the securities by cancelling the receipt and receiving a corresponding amount of underlying securities, which requires the payment of fees and expenses.

2.2. Bonds

A bond is a loan to a company, government or a local authority.

Generally, interest is paid to a portfolio as the lender and the amount of the loan repaid at the end of the term.

When a portfolio buys or subscribes for bonds, it becomes a creditor of the issuer of the bonds.

The issuer might be a government or a corporate business or it may be an entity that has been formed specifically for the purpose of issuing the bonds. This is normally the case where the bonds provide to investors the cash flows generated by specific assets, such as corporate loans, residential mortgages or credit card receivables.

Bonds have a nominal value, which is the sum that will be returned to investors when the bond matures at the end of its term.

As bonds are traded on the bond market, the price a portfolio pays for a bond may be more or less than the nominal value. There are several reasons why the price might vary from the nominal value, for example:

- If a bond is issued with a fixed interest rate of, say, 8% and general interest rates then fall well below 8%, then 8% will look like a good yield and the market price of the bond will tend to rise above the nominal value.
- The reverse is also true. If interest rates rise, the fixed rate of a particular bond might become less attractive and its price could fall below the nominal value.
- Ratings agencies might take the view that a particular company's bond no longer qualifies for a high rating, perhaps the company is not doing as well as it was when the bond was issued. If this happens then the market price of the bond might fall. On the other hand, the company's rating may be improved leading to a price rise; or
- The inflation rate might start to creep up and the interest rate on some bonds might start to look less attractive compared with other investments.

The risks associated with investing in bonds include:

- **Interest Rate Risk**

This is the risk that bond prices will fall as interest rates rise. By buying a bond, the bondholder has committed to receiving a fixed rate of return for a fixed period. Should the market interest rate rise from the date of the bond's purchase, the bond's price will fall accordingly. to reflect the lower return that an investor will make on the bond (as compared, for example, with the return on bonds of a similar profile, including with respect to credit risk, issued subsequently and reflecting the market interest rate rise).

Market interest rates are a function of several factors such as the demand for, and supply of, money in the economy, the inflation rate, the stage that the business cycle is in as well as the government's monetary and fiscal policies.

- **Call Risk**

The risk that a bond will be called by its issuer. Callable bonds have call provisions, which allow the bond issuer to purchase the bond back from the bondholders and retire the issue. This is usually done when interest rates have fallen substantially since the issue date (or sometimes, in the event of improvements in the issuer's credit quality). Call provisions allow the issuer to retire the old, high-rate bonds and sell low-rate bonds in a bidto lower debt costs. Call risk also exists in the case of structured bonds and other investments linked to an underlying asset (for example, a convertible bond) where the issuer may exercise a call right depending on the performance of the underlying asset. If an issuer redeems or calls an investment before the original scheduled maturity, the investor's objective in acquiring that financial instrument may be frustrated and the investor may receive a return that is lower than the return the investor would have received at maturity. The investor may also be forced to reinvest in lower-yielding financial instruments or financial instruments with greater credit risks or other less favourable features.

- **Default Risk**

The risk that the bond's issuer will be unable to pay the contractual interest or principal on the bond in a timely manner, or at all (including as a result of the issuer's insolvency). Credit ratings services such as Moody's, Standard and Poor's and Fitch give credit ratings to bond issues, which helps to give investors an idea of how likely it is that a payment default will occur.

- **Credit Ratings**

Credit ratings are often considered when analysing bonds, notes and other debt-related investments for client accounts. A credit rating generally reflects an assessment by the rating's provider of the relative credit risk of an investment compared to other investments rated by the provider. Credit rating agencies, including nationally recognized statistical rating organizations, each, a ("Rating Agency"), may rate specific investments (e.g., bonds), issuers (e.g., corporations, governments and financial institutions) and/or programs (e.g., commercial paper programs). Certain types of investments generally are not rated by Rating Agencies, such as non-US government/sovereign obligations, US agency securities, commercial paper, time deposits at financial institutions, and derivative instruments such as credit default swaps. For those types of investments, as well as US Treasury securities (some of which are not rated), where a Rating Agency has not rated the specific investment but has rated the investment's issuer, program, financial institution or underlying reference asset, BlackRock typically considers the investment to have the same Rating Agency rating as its issuer, program, financial institution or underlying reference asset, as appropriate. In the case of municipal securities, where one Rating Agency provides multiple ratings for the same security (e.g., "underlying," "insured" and/or "enhanced" ratings), BlackRock may consider the security to have the highest of the multiple ratings.

- **Issuer risk**

A portfolio's performance depends on the performance of individual securities to which the portfolio has exposure. Adverse changes to the financial condition or credit rating of an issuer of those securities often cause the value of the securities to decline or become worthless.

New issue securities (regardless of type) rarely are rated by a Rating Agency at the time of their initial offering. Preliminary prospectuses or term sheets for new issue securities often include an expected rating for the security (as determined by the underwriter and/or issuer) or a Rating Agency rating for the issuer of the security. When deciding whether to purchase a new issue security that has not yet been rated by a Rating Agency, BlackRock will typically attribute an expected rating to the security based on: (i) the expected rating of the security set forth in the preliminary prospectus or term sheet for the security; (ii) the Rating Agency's rating for the issuer of the security set forth in the preliminary prospectus or term sheet for the security; or (iii) with respect to asset-backed securities, the rating of a prior issuance. The rating will be changed to "Not Rated" if Rating Agency rating is not provided within 30 days. Please see "New Issue Securities Risk" below for some of the risks associated with new issue securities.

Credit ratings are subject to change and do not reflect all of the risks associated with an investment.

- **Inflation Risk**

The risk that the rate of price increases in the economy deteriorates the returns associated with the bond. This has the greatest effect on fixed-rate bonds, which have a set interest rate from inception. For example, if an investor purchases a 5% fixed bond and then inflation rises to 10% a year, the bondholder will lose money on the investment because the purchasing power of the proceeds has been greatly diminished. The interest rates of floating-rate bonds are adjusted periodically in response to changes in the prevailing market interest rate, thereby limiting investors' exposure to inflation risk (as market interest rates are typically increased in response to increasing inflation).

Bonds can be bought and sold in the market (like shares) and their price can vary from day-to-day. A rise or fall in the market price of a bond does not affect what a portfolio would get back if a portfolio holds the bond until it matures. A portfolio will only get back the nominal value of the bond (plus any coupon payment to which a portfolio has been entitled during its ownership of the bond), irrespective of what a portfolio paid for it.

For some bonds there may be a restricted market and it may be more difficult to deal in them or obtain reliable information about their value. It may also be difficult to establish a proper market in them for the purposes of making a subsequent sale.

Some bonds generate a return that is linked to the performance of a real or notional pool of underlying assets. In such circumstances, the return a portfolio receives will depend upon the performance of the underlying pool. Many structured products take the form of bonds (see Section 7 below), for further details of the risks associated with Structured Products.

As a bondholder a portfolio could lose some or (in extreme cases) all of the money that it has invested in the bonds that it holds.

In addition to the above general risks, the following types of bonds are impacted by additional risks.

2.2.1. Convertible Bonds

Some bonds are convertible or exchangeable into a specific number of another form of security, (usually the issuer's ordinary shares) at a specified price or ratio:

- A company may issue a convertible security that is subject to redemption after a specified date, and usually under certain circumstances;
- A holder of a convertible bond that is called for redemption would be required to tender it for redemption to the issuer, convert it to the underlying equities or sell it to a third party;
- Convertible bonds typically pay a lower interest rate than non-convertible bonds of the same quality and maturity, because of the convertible feature. This structure allows the holder of the convertible bond to participate in share price movements in the company's shares;
- The actual return on a convertible bond may exceed its stated yield if the company's shares appreciate in value

and the option to convert to shares becomes more valuable;

- Convertible bonds typically trade at prices above their conversion value, which is the current market value of the shares received upon conversion (“Conversion Value”), because of their higher yield potential than the underlying shares;
- The difference between the Conversion Value and the price of a convertible bond will vary depending on the value of the underlying shares and interest rates;
- When the underlying value of the shares decline, the price of the issuer's convertible bonds will tend not to fall as much because the convertible bond's income potential will act as a price support; and
- While the value of a convertible bond also tends to rise when the price of the underlying shares rises, it may not rise as much because their conversion value is narrower. The value of convertible bonds also is affected by changes in interest rates. For example, when interest rates fall, the value of convertible bonds may rise because of their fixed income component.

2.2.2. Sovereign Debt

Certain countries, typically developing countries, are especially large debtors to Commercial Banks and Foreign Governments. Investment in debt obligations (“Sovereign Debt”) issued or guaranteed by these governments or their agencies and instrumentalities (“governmental entity”) involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt.

A governmental entity’s willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors:

- Its cash flow situation;
- The extent of its foreign reserves;
- Availability of sufficient foreign exchange on the date a payment is due;
- Relative size of the debt service burden to the economy as a whole;
- Governmental entity’s policy towards the International Monetary Fund.

Any political constraints to which a governmental entity may be subject.

Expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt:

- The commitment on the part of these governments, agencies and others to make such disbursements may be conditional upon a governmental entity’s implementation of economic reforms and/or economic performance and the timely service of such debtor’s obligations;
- Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties’ commitments to lend funds to the governmental entity, which may further impair such debtor’s ability or willingness to service its debt on a timely basis; and
- Governmental entities may default on their Sovereign Debt. Holders of Sovereign Debt, including a portfolio, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities.
- Investors in Sovereign Debt issued by countries other than developing countries are also subject to these risks, including the risk of default with respect to the payment of principal and/or interest, but (typically) to a lesser degree.

There is no bankruptcy proceeding by which Sovereign Debt on which a governmental entity has defaulted may be collected in whole or in part.

2.2.3. Fixed Income Transferable Securities

Debt securities are subject to both actual and perceived measures of creditworthiness. The 'downgrading' of a 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.

Non-Investment grade debt may be highly leveraged and carry a greater risk of default.

A portfolio may be affected by changes in prevailing interest rates and by credit quality considerations.

Changes in market rates of interest will generally affect a portfolio's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise.

Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities.

An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity.

The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts or the unavailability of additional financing.

In the event of bankruptcy of an issuer, a portfolio may experience losses and incur costs.

In addition, non-investment grade securities tend to be more volatile than higher rated fixed-income securities, so that adverse economic events may have a greater impact on the prices of non-investment grade debt securities than on higher rated fixed-income securities.

2.2.4. Asset-backed Securities

The value of asset-backed securities ("ABS") typically increases when interest rates fall and decreases when interest rates rise and are expected to move in the same direction of the underlying related asset, there may not be a perfect correlation between these events.

ABS may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain ABS may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, an ABS may be sold in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset.

ABS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, prepayments may occur at a slower rate than expected. As a result, the average duration of the portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

As with other debt securities, ABS are subject to both actual and perceived measures of creditworthiness. Liquidity in ABS may be affected by the performance or perceived performance of the underlying assets. In some circumstances investments in ABS may become less liquid, making it difficult to dispose of them.

Accordingly, the portfolio's ability to respond to market events may be impaired and the portfolio may experience adverse price movements upon liquidation of such investments. In addition, the market price for an ABS may be volatile and may not be readily ascertainable.

As a result, it may not be able to sell them when desired to do so, or to realise what is perceived to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

ABS may be leveraged which may contribute to volatility in the value of the security.

2.2.5. Mortgage-backed Securities

Mortgage-backed securities ("MBS") may be subject to prepayment risk, which is the risk that, in a period of falling interest rates, borrowers may refinance or otherwise repay principal on their mortgages earlier than scheduled. When this happens, certain types of MBS will be paid off more quickly than originally anticipated and the portfolio will have to invest the proceeds in securities with lower yields. MBS may also be subject to extension risk, which is, the risk that, in a period of rising interest rates, certain types of MBS will be paid off more slowly than originally anticipated and the value of these securities will fall. As a result, the average duration of the portfolio may increase. The value of longer-term securities generally changes more in response to changes in interest rates than that of shorter-term securities.

Because of prepayment risk and extension risk, MBS react differently to changes in interest rates than other fixed income securities. Small movements in interest rates (both increases and decreases) may quickly and significantly reduce the value of certain MBS. Certain MBS in which the portfolio may invest may also provide a degree of investment leverage, which could cause the portfolio to lose all or a substantial amount of its investment.

In some circumstances investments in MBS may become less liquid, making it difficult to dispose of them. Accordingly, the portfolio's ability to respond to market events may be impaired and the portfolio may experience adverse price movements upon liquidation of such investments. In addition, the market price for MBS may be volatile and may not be readily ascertainable. As a result, it may not be possible to sell them when desired to do so, or to realise what is perceived to be their fair value in the event of a sale. The sale of less liquid securities often requires more time and can result in higher brokerage charges or dealer discounts and other selling expenses.

2.2.6. Delayed Delivery Transactions

When investing in Fixed Income Transferable Securities, a portfolio may purchase 'To Be Announced' Securities ("TBAs"). This refers to the common trading practice in the Mortgage-Backed Securities market in which a security is to be bought from a mortgage pool for a fixed price at a future date.

At the time of purchase the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised.

Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts.

Although a portfolio will generally enter into TBA purchase commitments with the intention of acquiring securities, a portfolio may also dispose of a commitment prior to settlement if it is deemed appropriate to do so.

Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an off-setting TBA purchase commitment (deliverable on or before the sale commitment date), are held as cover for the transaction.

If the TBA sale commitment is closed through the acquisition of an off-setting purchase commitment, a portfolio realises a gain or loss on the commitment without regard to any unrealised gain or loss on the underlying security.

If a portfolio delivers securities under the commitment, a portfolio realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into.

2.2.7. New Issue Securities

Investing in new issue securities involves risks that are in addition to those associated with investments which have been trading for an extended period of time because information typically used to evaluate investments often is not available for new issue securities. Subsequent to the purchase of a new issue security by BlackRock, information about the security or its issuer may become publicly available (e.g., the issuance of a credit rating by a Rating Agency) which could cause BlackRock to alter its view on the appropriateness of the investment for a portfolio.

3. Derivatives

Although derivative instruments can be utilised for the management of investment risk, some of these products are unsuitable for many investors. Different instruments involve different levels of exposure to risk and in deciding whether to trade in such instruments a client should be aware of the following points.

3.1. Options

A call option gives the buyer of the option the right (but not the obligation) to acquire an underlying security or other asset at a future date and at a price that has already been agreed or that is determinable in accordance with a pre- agreed mechanism. A put option gives the buyer of the option the right (but not the obligation) to sell an underlying security or other asset at a future date and at a price that has already been agreed or that is determinable in accordance with a pre-agreed mechanism. Depending upon their terms, options may be settled by the physical delivery of the underlying asset or by payment of a cash amount.

There are many different types of options with different characteristics subject to the following conditions.

3.1.1. Buying Options

Buying options involves less risk than selling options because, if the price of the underlying asset moves against a portfolio, it can simply allow the option to lapse.

The maximum loss is limited to the premium, plus any commission or other transaction charges.

If a portfolio buys a call option on a futures contract and the portfolio later exercises the option, (which could take place automatically if it is in the money at expiry), it will acquire the future. This will expose a portfolio to the risks described in Section 3.2 and Section 3.9 below.

3.1.2. Writing Options

If a portfolio writes an option, the risk involved is considerably greater than buying options. A portfolio may be liable for margin to maintain its position and a loss may be sustained well in excess of the premium received.

By writing an option, a portfolio accepts a legal obligation to purchase or sell the underlying asset if the option is exercised against a portfolio, however far the market price has moved away from the exercise price.

If a portfolio already owns the underlying asset which it has contracted to sell (when the options will be known as “covered call options”) the risk is reduced.

If a portfolio does not own the underlying asset (“uncovered call options”) the risk can be unlimited.

Only experienced persons should contemplate writing uncovered options, and then only after securing full details of the applicable conditions and potential risk exposure.

The performance of an option that a portfolio has written depends primarily on how the underlying asset performs during the life of the option.

The value of the option can therefore be affected by any risk factors that can affect the price of the underlying asset to which the option relates. A relatively small movement in the price of the underlying asset can result in a disproportionately large movement, unfavourable or favourable, in the value of the option. The prices of options can therefore be volatile;

- If a portfolio writes options, it may sustain a total loss in excess of any margin it deposits with the counterparty to establish or maintain a position;
- If the market moves against a portfolio, it may be called upon to pay substantial additional margin at short notice to maintain the position. If it fails to do so within the time required, its position may be liquidated at a loss and it will be responsible for the resulting deficit; and
- If a written option transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when a portfolio entered the contract.

3.1.3. Over-the-Counter ("OTC") Options

Options may be executed on an Investment Exchange or on an OTC basis.

OTC options are 'off-exchange' transactions in derivatives between two counterparties which give rise to the additional counterparty, market and valuation risks described in Section 3.7 below.

OTC options are traded between two private parties and are not listed on an exchange.

They can be tailored to meet specific requirements as they are not standardised as is the case with exchange traded contracts.

3.2. Futures

Transactions in futures involve the obligation to make, or to take, delivery of the underlying asset of the contract at a future date, or in some cases to settle the position with cash.

Futures carry a high degree of risk. The performance of a futures contract depends primarily on how the underlying asset performs during the life of the contract.

The value of the future can therefore be affected by any of the risk factors that can affect the price of the underlying asset to which the futures contract relates.

The 'gearing' or 'Leverage' often obtainable in futures trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of a portfolio's investment, and this can work against a portfolio as well as for it.

Futures transactions have a contingent liability which means that a portfolio may be liable to make further payments (and whether or not margin is required as security to maintain its position) when the transaction falls to be completed or upon the earlier closing out of the position and a loss may be sustained well in excess of the premium received.

By entering into a futures contract, a portfolio accepts a legal obligation to purchase or sell the underlying asset or (depending upon the relevant terms) to make payment of a cash settlement amount, however far the market price has moved away from the agreed price;

A portfolio may sustain a total loss in excess of any margin it deposits with the counterparty to establish or maintain a position.

If the market moves against a portfolio, it may be called upon to pay substantial additional margin at short notice to maintain the position. If a portfolio fails to do so within the time required, its position may be liquidated at a loss and a portfolio will be responsible for the resulting deficit.

The insolvency or default of the counterparty or any of the brokers involved with a portfolio's futures transaction, may lead to positions being liquidated or closed out without a portfolio's consent.

In certain circumstances, a portfolio may not get back the actual assets which it lodged as collateral, and it may have to accept any available payments in cash.

Transactions held centrally through a clearing house benefit from a number of added layers of protection. Details differ from one clearing house to another, but typical safeguards include:

- Membership obligations;
- Margin and capital requirements;
- Default procedures emphasizing prompt resolution; and
- Maintenance of supplemental clearing house resources.

Where a client accesses a clearing house indirectly through a clearing member, the protections afforded by the clearing house may differ or may be limited to the clearing house's exposure to the direct clearing member.

Futures may be executed on an investment exchange or on an OTC basis.

OTC futures are 'off-exchange' transactions in derivatives between two counterparties which give rise to the additional counterparty, market and valuation risks described in Section 3.7 below.

3.3. Contracts for differences (“CFDs”)

Futures and options contracts that only contemplate cash- settlement of the party’s obligations, opposed to physical delivery of the underlying assets, are known as ‘contracts for differences’ or ‘CFDs’.

CFDs include options and futures on indices, as well as currency, interest rate, equity and commodity swaps, some credit derivatives, spread bets and rolling spot foreign exchange contracts.

The 'gearing' or 'Leverage' often obtainable in CFD trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of a portfolio’s investment, and this can work against a portfolio as well as for it.

CFD transactions have a Contingent Liability which means that a portfolio may be liable to make further payments (and whether or not margin is required as security to maintain its position) when the transaction falls to be completed or upon the earlier closing out of the position and a loss may be sustained in excess of any margin it deposits with the counterparty to establish or maintain a position. If the market moves against a portfolio, it may be called upon to pay substantial additional margin at short notice to maintain the position. If a portfolio fails to do so within the time required, its position may be liquidated at a loss, and it will be responsible for the resulting deficit.

On many exchanges, the performance of a transaction by the relevant broker is 'guaranteed' by the exchange or clearing house. However, this guarantee in some circumstances may not protect the clients of the broker, if the broker defaults on its obligations.

CFD transactions may be executed on an investment exchange or on an OTC basis.

OTC CFD transactions are off-exchange transactions between two counterparties which give rise to the additional counterparty, market and valuation risks described in Section 3.7 below.

3.4. Securitised Derivatives

Securitised Derivatives are derivative products, such as covered warrants and certificates, that are traded or listed on investment exchanges, and which provide investors with exposure to a wide range of underlying products without investing directly.

The investors return is linked to the performance of an underlying instrument for example Shares, indices, foreign exchange, commodities and interest rates.

These instruments often involve a high degree of gearing or Leverage, so that a relatively small movement in the price of the underlying investment results in a much larger movement, unfavourable or favourable, in the price of the instrument. The price of these instruments can therefore be volatile.

These instruments have a limited life and may expire worthless if the underlying instrument does not perform as expected.

3.5. Swaps

A Swap is an agreement between two parties (one usually being an investment bank), to exchange one stream of payments for another.

Swaps are individually tailored contracts that trade OTC and can be based on any terms agreed by the two parties.

Swaps are ‘off-exchange’ transactions in derivatives between two counterparties which give rise to the additional counterparty, market and valuation risks described in Section 3.7 below.

Where an OTC swap is centrally cleared, and a client accesses a clearing house indirectly through a clearing member, the protections afforded by the clearing house may differ or may be limited to the clearing house’s exposure to the direct clearing member.

Some common examples of swaps are listed below.

3.5.1. Credit Default Swaps (“CDS”)

A CDS is an agreement to transfer credit exposure or default risk from one party to another.

Transactions in the market are usually referred to in terms of buying or selling protection.

The seller of protection receives a stream of payments (the ‘premium’) from the protection buyer over the life of the contract for assuming the credit risk of the underlying reference entity.

CDS allows investors to effectively buy protection on a bond they hold (hedging) or, buy protection on a bond they do not physically own in the expectation of making a profit if the underlying credit declines in quality.

A payment is due to the protection buyer in the event that there is a ‘credit event’. For example, bankruptcy or failure to repay a loan as defined in the agreement.

If the credit event does not occur the buyer pays all the required premiums, and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

3.5.2. Interest Rate Swaps

An Interest Rate Swap is an agreement between two parties to exchange interest rate cash flows, typically a fixed payment for a floating payment (e.g., SOFR) based on a notional principal amount, at specified times during the life of the swap.

3.5.3. Inflation Swaps

An Inflation Swap is an agreement between two parties to exchange a fixed cash flow in return for a floating rate linked to an inflation index during the life of the swap, based on a notional principal amount.

3.5.4. Total Return Swaps (“TRS”)

A Total Return Swap is an agreement between two parties to exchange a floating cash flow based on short-term interest rates (e.g. SOFR) in return for the total return (i.e. capital gain/loss plus income) on an underlying asset or index during the life of the swap.

3.5.5. Volatility Derivatives & Variance Swaps

A Volatility swap is a forward contract on the future realised Volatility of a given underlying asset. For example, foreign exchange rate, single equity or index.

The volatility of an underlying asset is a statistical measure of the speed and magnitude of changes in its price over defined periods of time.

A variance swap is similar to a Volatility swap but in contrast, the variance swap is a forward contract in which the underlying is the measured or realised variance of the underlying asset over the life of the swap, and the forward rate (or swap rate), is the variance set on the trade date. Volatility is the mathematical square-root of the variance.

Portfolios may use volatility and variance derivatives to increase or reduce Volatility risk, in order to express an investment view on the change in Volatility, based on an assessment of expected developments in the underlying markets. For example, if a significant change in the equity market background is expected, it is likely that the Volatility of securities prices will increase as prices adapt to the new circumstances; and

The price of volatility or variance derivatives may be highly volatile and may move in a different way to the other assets of the portfolio, which could have a significant effect on the value of a portfolio.

3.5.6. Swaptions

A swaption is an option granting its owner the right but not the obligation to enter into an underlying swap. Although options can be traded on a variety of swaps, the term ‘swaption’ typically refers to options on interest rate swaps.

A fund may enter into an interest rate swaption contract which gives the buyer the right, but not the obligation to enter into an interest rate swap at the present interest rate within a specified period of time.

The interest rate swaption buyer pays a premium to the seller for this right. The buyer assumes the risk of loss of premium. Similar to other options, for instance equity options, but based on a swap rather than a physical asset.

3.6. Foreign Exchange (“FX”) Forwards & Non- Deliverable Forwards (“NDFs”)

An FX Forward is an agreement to purchase or sell a set amount of a foreign currency at a specified price for settlement at a predetermined future date.

FX Forward transactions involve the physical delivery of currencies on the settlement date and thus give rise to settlement risk. This can be mitigated to a certain extent when transacting in CLS ("Continuous Linked Settlement") eligible currencies and for custodians who are members of CLS.

FX transactions can be settled using the CLS platform which protects against loss of principal by providing a payment vs. payment settlement clearing process. In the event of settlement failure, neither of the two payments for the FX trade will be settled and the related funding is returned to the client's bank or custodian.

NDFs are FX transactions in thinly traded or restricted non-convertible foreign currencies.

They are similar to conventional FX forward contracts in that an agreement is made to buy or sell a specific amount of one currency in exchange for another currency for settlement on an agreed future date.

Unlike conventional forwards, NDFs settle the profit or loss at maturity for the difference between the agreed upon exchange rate and the spot rate at the time of settlement, based on an agreed notional amount of funds. NDFs are normally quoted and cash-settled in U.S. Dollars.

FX Forwards and NDFs are off-exchange transactions in derivatives between two counterparties which give rise to the additional counterparty risks described in Section 3.7 below.

3.7. Off-exchange Transactions in Derivatives

OTC or off-exchange derivatives are contracts that are traded directly between two parties and as such expose each party to default risk of the other.

Counterparty risk largely stems from the creditworthiness of an institution. The counterparty risk created can be offset to an extent through the periodic exchange of collateral but in the event of a default, this may not be sufficient to cover the liabilities of the defaulting party.

Although some OTC or 'off-exchange' markets are highly liquid, transactions in OTC or 'off-exchange' derivatives may involve greater risk than investing in 'on-exchange' derivatives, because there is no exchange market on which to close out an open position.

It may be impossible to liquidate an existing position, to assess the value of the position arising from a transaction or to assess the exposure to risk. Bid prices and offer prices need not be quoted, and, even where they are, they will be established by dealers in these instruments and consequently it may be difficult to establish what a fair price is.

3.8. Tax – Potential Trading

Clients should note that that there is a risk that certain derivative and currency forward transactions permitted by the investment guidelines may be considered to be 'trading' for tax purposes. Any resulting loss or liability will be a loss or liability of the client or the client's Fund.

3.9. Contingent Liability Investment Transactions

Contingent Liability Investment transactions, which are margined, require a client to make a series of payments against the purchase price, instead of paying the whole purchase price immediately.

If a client trades in futures, swaps, CFDs or writes options, they may sustain a total loss in excess of any margin they deposit to establish or maintain a position.

If the market moves against a client, they may be called upon to pay substantial additional margin at short notice to maintain the position. If a client fails to do so within the time required, their position may be liquidated at a loss and they will be responsible for the resulting deficit.

Even if a transaction is not margined, it may still carry an obligation to make further payments in certain circumstances over and above any amount paid when a client entered the contract.

4. Foreign Markets & Foreign Denominated Securities

4.1. Foreign Markets

Foreign markets will involve different risks from domestic markets. In some cases, the risks will be greater.

On request, BlackRock must provide an explanation of the relevant risks and protections (if any) which will operate in any foreign markets, including the extent to which it will accept liability for any default of a foreign company whom it deals.

The potential for profit or loss from transactions on foreign markets or in foreign denominated contracts will be affected by fluctuations in foreign exchange rates.

4.2. Foreign Exchange (“FX”) Trading

Engaging in FX trading (buying one currency in exchange for another) exposes a portfolio to the risk of adverse changes in exchange rates.

Exchange rates can be volatile and are driven by a variety of factors affecting the economies of the jurisdictions whose currencies a portfolio is trading.

The 'gearing' or 'leverage' often obtainable in FX trading means that a small deposit or down payment can lead to large losses as well as gains. It also means that a relatively small movement can lead to a proportionately much larger movement in the value of a portfolio’s investment, and this can work against a portfolio as well as for it.

Some FX transactions involve a contingent liability which means that a portfolio may be liable to make further payments (and whether or not margin is required as security to maintain its position) when the transaction falls to be completed or upon the earlier closing out of the position and a loss may be sustained well in excess of any margin it deposits with the counterparty to establish or maintain the position.

A portfolio may sustain a total loss of any margin it deposits to establish or maintain a position. If the market moves against a portfolio, it may be called upon to pay substantial additional margin at short notice to maintain the position. If a portfolio fails to do so within the time required, its position may be liquidated at a loss and the portfolio will be responsible for the resulting deficit.

The insolvency or default of the counterparty or any of the dealers involved with a portfolio’s FX transaction, may lead to positions being liquidated or closed out without a portfolio’s consent. In certain circumstances, a portfolio may not get back the actual assets which it lodged as collateral, and it may have to accept any available payments in cash.

4.3. Emerging Markets/Frontier Markets

The following considerations, which apply to some extent to all international investments, are of particular significance in certain smaller emerging and frontier markets.

A portfolio’s equity investments may include investments in certain smaller and emerging markets, which are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility.

The prospects for economic growth in a number of these markets are considerable and equity returns have the potential to exceed those in mature markets as growth is achieved. However, share price and currency volatility are generally higher in emerging and frontier markets.

Some governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant.

The economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems which may be exacerbated by climate change.

Certain economies also depend to a significant degree upon exports of primary commodities and, therefore, are vulnerable to changes in commodity prices which, in turn, may be affected by a variety of factors.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging and frontier markets may impose different capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging markets may be significantly different from those in developed markets. Compared to mature markets, some emerging markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a portfolio's acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging and frontier markets involve higher risks than those in developed markets, in part because a portfolio will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable. Delays in settlement could result in investment opportunities being missed if a portfolio is unable to acquire or dispose of a security. Where applicable depending on whether a trustee/custodian has been appointed to the portfolio and the regulatory regime governing such appointment, the trustee/custodian of the portfolio (if any) may be responsible for the proper selection and supervision of its correspondent banks in all relevant markets (although more substantial or lesser or no obligations may apply depending on applicable regulation).

In certain emerging and frontier markets, registrars are not subject to effective government supervision nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognise ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Investors should therefore be aware that a portfolio could suffer loss arising from these registration problems, and as a result of archaic legal systems a portfolio may be unable to make a successful claim for compensation.

While the factors described above may result in a generally higher level of risk with respect to the individual smaller and emerging markets, these may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within a portfolio. As a result of some of these characteristics there could be additional impacts on the value of these investments as a result of sustainability risks, in particular those caused by environmental changes related to climate change, social issues (including but not limited to relating to labour rights) and governance risk (including but not limited to risks around board independence, ownership & control, or audit & tax management). Additionally, disclosures or third-party data coverage associated with sustainability risks is generally less available or transparent in these markets.

4.4. Euro and Eurozone Risk

The success of the Euro and the Eurozone is dependent on the general economic and political condition of each member state, as well as each state's credit worthiness and the willingness of the members to remain committed to monetary union and support for the other members. Default by any state on its Euro debts or a material decline in the credit rating of any Eurozone state could have a material negative impact on a Portfolio and its investments. A Portfolio may hold Euro denominated assets either directly or as collateral and may experience a reduction in the value and/or liquidity of their investments as a result of events in the Eurozone regardless of the measures BlackRock may take to reduce this risk in providing its services to you.

The Eurozone is subject to risks arising from different trends, including high inflation, rapid monetary policy tightening, geopolitical instability, and an uncertain economic outlook, which could lead to new shocks and asset price corrections. The situation has raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Euro zone. The departure or risk of departure from the Euro by one or more Euro zone countries could lead to the reintroduction of national currencies in one or more Euro zone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of the investments.

5. Commodities

Trading in derivatives on physical commodities is speculative and can be extremely volatile;

Market prices of derivatives on physical commodities can fluctuate rapidly based on numerous factors, including:

- Changes in supply and demand relationships actual, perceived, anticipated, unanticipated or unrealised;
- Weather;
- Trade;
- Fiscal;
- Monetary and Exchange control programs;
- Political and Economic events and policies;
- Disease;
- Pestilence;
- Technological developments:
    - Changes in interest rates through government action or market movements; and
    - Monetary and other governmental policies.

The current or 'spot' prices of the underlying physical commodities may also affect, in a volatile and inconsistent manner, the prices of futures contracts in respect of the relevant commodity.

6. Collective Investment Schemes ("CIS")

A CIS is a scheme which allows an investor to invest money on a pooled basis (along with a number of other investors). A CIS may take various forms including without limitation, corporate, partnership or trust.

As an investor, a portfolio buys shares, partnership interests or units in the CIS in the hope that the value rises over time as the prices of the underlying investments increase. The price of the shares, partnership interests or units depends on how the underlying investments perform.

Some CIS are called 'open-ended' because the number of shares/partnership interests/units in issue increases as more people invest and decreases as people take their money out.

Normally, there is no established secondary market in CISs which means that a portfolio's investment in them cannot usually be sold to third parties. However, the constitutional documents of the CIS will normally provide for it to be able to redeem its investment in the CIS at its NAV.

The frequency with which a CIS can redeem its investment will depend upon the precise terms of those constitutional documents.

As an investor in a CIS, a portfolio could lose some or all of the money that it has invested.

The level of risk of an investment in a CIS will depend on the underlying investments in which it is invested and how well diversified the CIS is. For example, a CIS which invests only in one industrial sector, such as technology, will invariably be riskier than CISs that invest across the whole range of companies in a market.

Some CIS are regulated which means that there are rules about (and limits on) the types of underlying investments in which the CIS can invest and the frequency and price at which investments in the CIS can be redeemed.

In particular, the rules applicable to regulated CIS limit the extent to which they can invest in derivatives or leverage their portfolios. Regulated CIS include for example authorised unit trusts; UCITS (undertakings for collective investment in transferable securities), which may take the form of SICAVs (Sociétés d'investissement à capital variable), FCPs (Fonds Commun de Placement). CCFs (Common Contractual Fund) or ICVCs (Investment Companies with Variable Capital), UK UCITS which may take the form of OEICs (open ended investment companies, which are the same as ICVCs.

Other CIS are unregulated or are subject to a lesser degree of regulation than a fund intended for retail investors, such as a UCITS, which means that there are very few or no rules about the types of investments in which they can invest or the frequency at which they can be redeemed. Five of the most common types of unregulated CIS are hedge funds, private equity funds, real estate funds, exchange-traded funds and funds of funds. Following the implementation of the Alternative Investment Fund Managers Directive ("AIFMD"), certain of these unregulated CIS may be regulated by the AIFMD.

The following is a list of risk factors and does not purport to provide a complete explanation of the risks associated with acquiring and holding units in a CIS:

- All investment funds are subject to risks, including fluctuations in capital value. While over a long period it might be expected that a portfolio will produce positive total returns, in any particular year losses may be suffered. The Investment Manager cannot guarantee that it will achieve the investment objectives set out for a portfolio;
- Participating clients should always bear in mind that the price of units in a CIS and the income from them can go down as well as up and is not guaranteed. A CIS may invest in currencies other than sterling. As a result, changes in the rates of exchange between currencies may cause the value of units in a CIS to go up or down. Accordingly, an investor may not receive back the amount invested;
- A CIS may invest in initial public offerings or new debt issues. The prices of securities involved in initial public offerings or new debt issues are often subject to greater and more unpredictable price changes than more established securities;
- CIS can be 'front-end loaded', which means that deductions for charges and expenses are not made uniformly throughout the life of the investment but are loaded disproportionately on to the early years through the charging of a front-end load; and
- Insofar as investments are made in units of a regulated CIS with an objective to maximise distributable income or to place an equal emphasis on the generation of income and on capital growth, the Investment Manager's periodic charge may be taken out of the capital of such investment. As a consequence, it is likely capital may be eroded or future growth constrained.

When compared to a regulated CIS where periodic charges are deducted from income, the income accruing to a regulated CIS where such charges are deducted from capital may be higher which will result in some increased income tax liability for investors and, where applicable, a reduction in liability for capital gains tax.

Risks associated with specific BlackRock Pooled Funds are detailed in the relevant prospectus and/or constituent documents receipt of which the client acknowledges.

6.1. Determination of Unit Prices

A proportion of the value of a CIS and hence the issue and cancellation prices of the units, will be based on the latest prices that are available for the investments held by the underlying funds.

These latest prices may be estimated prices due to either the frequency or the timing of dealing in the investment vehicles in which the underlying funds are invested or the time that is required by the administrators of such investment vehicles to calculate final prices.

The value of a CIS and hence the issue and cancellation prices of the units, may not accurately reflect the value that would have been received by a CIS had that holding been realised on that day.

The underlying funds may invest in Investment vehicles which do not permit holdings to be redeemed on either as frequent a basis as that applying to a CIS or on the same day as a CIS. In the absence of published current redemption prices or NAVs, the Investment Managers may have to determine valuations in respect of such investments.

Adequate information may not always be available to the Investment Manager from underlying funds or other sources for that purpose. Consequently, such valuations may not accurately reflect the realisable value of a CIS's holdings on the next dealing day of the underlying fund concerned or the value that would have been received by a CIS had those holdings been realised on that day.

6.2. Types of Collective Investment Schemes

6.2.1. Hedge Funds

Hedge funds may be regulated or unregulated CISs (although unregulated CISs may be subject to AIFMD) that use derivatives for directional investing and/or are allowed to have a short position and/or use significant Leverage through borrowing.

Additional characteristics of hedge funds are:

- The free choice of assets, including illiquid and distressed securities;
- Free choice of markets, including emerging markets; and
- Free choice of trading style, including a lack of asset diversification.

Whilst returns may be higher than standard investments, investments in hedge funds involve a high degree of risk and are only suitable for investors who fully understand and are willing to assume the risks involved.

In particular, such investors are exposed to potential loss which could involve the complete loss of the investment. Their use of leverage may mean that market movements could have a disproportionate effect on the NAV of the CIS.

A Hedge Fund may acquire other investments and utilise investment techniques which can carry significant additional risks and costs. These techniques include:

- **Short Selling**

This is where a security not owned by a CIS is borrowed so that it can be sold on to a third party. In the event that the price of the security rises higher than that at which the security was sold to the third party, this will cause the CIS to suffer when it buys the security in order to return it to the lender.

On the other hand, if the price of the security falls below the price at which it was sold to the third party, the CIS will benefit when it buys the security in order to return it to the lender.

- **Borrowing**

This would be so that the CIS can invest more than its cash position would allow.

- **The Use of Derivatives**

The risks associated with derivatives are set out in Section 3 above.

Hedge funds are often domiciled in offshore jurisdictions where the standards of regulation and in particular the standards of regulatory supervision do not meet the standards required in the UK.

Investments in hedge funds are typically subject to transfer and redemption restrictions. Transfers are usually subject to the approval by the CIS and redemption may be permitted only after an initial lock- in period and long notification periods.

In most cases there is no liquid market for investments in hedge funds. It may therefore be difficult for a CIS to obtain reliable information about the value of such investments or the extent of the risks to which it is exposed.

Key portfolio managers may be dependent upon CISs and their experience levels may vary. Furthermore, where hedge fund managers are compensated on a performance incentive basis it may cause them to make riskier and more speculative investment decisions than if such a fee was not paid.

6.2.1.1. Side Pockets

A side pocket is used in certain hedge funds, and to a very limited extent in certain UCITS funds, to separate illiquid assets from other more liquid investments.

A side pocket can be used to hold some or all of the illiquid investments of a fund. Generally, the portfolio manager of a fund has full discretion to decide what investments are considered to be illiquid.

The side pocket may take a number of different forms, including a separate class of shares in a fund, a foreign investment fund or any other form that the fund board or management company of the fund, as applicable, (with the advice of the Investment Manager) deems appropriate.

The fund board or management company of the fund, as applicable (with the advice of the Investment Manager) may decide to side pocket investments in circumstances where it deems that it would be fair and equitable to the investor:

- When it deems that the level of illiquid investments in a fund has reached a level, such that it might affect the ability of the Investment Manager to carry out redemptions on the redemption days for a fund; or
- Where a lack of readily determinable market value for a particular investment could result in subscribing investors unfairly receiving a windfall by achieving exposure to the investment at a price below its value.

Once an investment enters a side pocket, only the present participants in the Hedge Fund will be entitled to a share of it. Future investors will not receive a share of the proceeds in the event the asset's returns get realized.

Investors who leave the Hedge Fund will still receive a share of the side pocket's value when it is realized.

The use of side pockets may restrict the ability of the investor to fully redeem out of the fund until such investments have been removed from the side pocket. This will leave investors exposed to the performance of the investment for an indefinite period of time until the investment is liquidated.

When investments are side pocketed, one or more corporate actions may be executed on the investor’s shares. Such corporate actions may consist of, but are not limited to:

- The compulsory conversion of shares into shares of a new class of the same fund or shares/units of another undertaking for collective investment or any other vehicle.
- The compulsory redemption of the investor's shares and the compulsory contribution in kind of the redemption proceeds to a new share class of the fund, to another undertaking for collective investment or any other vehicle.
- The compulsory redemption of the investor's shares and the payment in kind of the redemption proceeds in the form of shares of a new share class of the fund or shares/units of another undertaking for collective investment or any other vehicle.
- A unit split.

The shares/units or other interests linked to the side pocket(s) can in principle not be redeemed until the side pocket assets are realised, or until the assets are moved out of the side pocket(s).

6.2.2. Private Equity Funds

Private equity funds can be set up as unregulated CIS (although they may be subject to AIFMD) that invest exclusively or almost entirely in financial instruments issued by companies that are not listed, or that takeover publicly listed companies with a view to delisting them.

Investment in private equity funds is typically by way of commitment, whereby an investor agrees to commit to invest a certain amount in the fund and this amount is drawn down by the fund as and when it is needed, to make private equity investments.

Private equity funds tend to be closed ended and to have a finite lifespan. During the life of the private equity fund it is usually not possible for a CIS to redeem its investment. Therefore, if a portfolio invests in a private equity fund, it may be several years before a portfolio sees any sort of return on the Investment.

Whilst returns may be higher than standard investments, investments in private equity funds involve a high degree of risk and are only suitable for investors who fully understand and are willing to assume the risks involved.

The returns are dependent on the performance of the companies in which the fund invests and, in turn therefore, largely dependent on the Investment Manager of the fund's ability to influence that performance.

Investors in private equity funds are exposed to potential loss which could involve the complete loss of the investment.

6.2.3. Real Estate Funds

Real estate funds can be set up as unregulated CIS (although they may be subject to AIFMD) that invest exclusively or almost entirely in real estate, or in companies that invest in real estate.

Most real estate funds are structured and operate in a similar manner to private equity funds. Investment in real estate funds is typically by way of commitment, whereby an investor agrees to commit to invest a certain amount in the fund and this amount is drawn down by the fund as and when it is needed, to make real estate investments.

A CIS may invest in real estate funds in accordance with its investment restrictions.

Real estate funds tend to be closed ended and to have a finite lifespan. During the life of the fund, it is usually not possible for a CIS to redeem its investment. Therefore, if a portfolio invests in a real estate fund, it may be several years before a portfolio sees any sort of return on the investment. Some real estate funds are open-ended and a CIS will be able to redeem its investment following a required notice period, which is normally a number of months long. Open ended funds may operate side pockets, gating or suspension mechanisms to control redemptions.

Clients should note that property investments are illiquid and there may be no public market for property investments of the nature of those contemplated by a real estate fund.

Investors in such funds are exposed to the risk of a general downturn in the property market and potential loss which could involve the complete loss of the investment.

The value and marketability of real estate fund investments are subject to many factors beyond the control of a CIS and any real estate fund:

- Adverse changes in economic conditions;
- Adverse local market conditions; and
- Risks associated with the acquisition, financing, ownership, operation and disposal of property.

Returns are dependent on the value of the properties or companies in which the fund invests and therefore on the ability of the portfolio manager to pick investments that increase in value.

The eventual liquidity of all investments made by a real estate fund will depend on the success of the realisation strategy proposed for each investment and there is a significant risk that a real estate fund may be unable to realise its investment objective by sale or other disposition at attractive prices or, at the appropriate times or in response to changing market conditions, or may otherwise be unable to complete a favourable exit strategy.

Whilst returns may be higher than standard investments, investments in real estate funds involve a high degree of risk and are only suitable for investors who fully understand and are willing to assume the risks involved.

6.2.4. Infrastructure Funds

Infrastructure funds can be set up as unregulated CIS that invest exclusively or almost entirely in infrastructure investments, such as renewable power (i.e., solar and wind farms), or in companies that invest in infrastructure.

Most infrastructure funds are structured and operate in a similar manner to private equity and real estate funds. Investment in infrastructure funds is typically by way of commitment, whereby an investor agrees to commit to invest a certain amount in the fund and this amount is drawn down by the fund as and when it is needed, to make infrastructure investments.

A CIS may invest in infrastructure in accordance with its investment restrictions.

Infrastructure funds may be closed-ended and have a finite lifespan. During the life of a closed-ended fund it is usually not possible for a CIS to redeem its investment. Therefore, if a portfolio invests in an infrastructure fund, it may be several years before a portfolio sees any sort of return on the investment.

Clients should note that infrastructure investments are illiquid and there may be no public market for the underlying investments in which an infrastructure fund invests.

Investors in such funds are exposed to the additional risks over changes in energy policy and/or supply and technological developments as well as the risk of a general downturns in the infrastructure market and potential loss which could involve the complete loss of the investment.

The value and marketability of infrastructure fund investments are subject to many factors beyond the control of a CIS and any infrastructure fund:

- Adverse changes in economic conditions;
- Adverse local market conditions; and
- Factors associated with the acquisition, financing, ownership, operation and disposal of infrastructure.

Returns are dependent on the value of the properties or companies in which the fund invests and therefore on the ability of the portfolio manager to pick investments that increase in value.

The eventual liquidity of all investments made by an infrastructure fund will depend on the success of the realisation strategy proposed for each investment and there is a significant risk that an infrastructure fund may be unable to realise its investment objective by sale or other disposition at attractive prices or, at the appropriate times or in response to changing market conditions, or may otherwise be unable to complete a favourable exit strategy.

Whilst returns may be higher than standard investments, investments in infrastructure funds involve a high degree of risk and are only suitable for investors who fully understand and are willing to assume the risks involved.

6.2.5. Exchange-Traded Funds ("ETFs") and Exchange Traded Commodities ("ETCs")

ETFs are CISs, whose shares are listed or admitted for trading on one or more stock exchanges.

Shares in the ETF can be subscribed and redeemed directly with the ETF by authorized participants. Shares can be traded on the secondary market by investors on a stock exchange or over-the-counter (OTC).

The majority of ETFs are passively managed and aim to track the performance of an index such as the FTSE 100 or the Hang Seng Index.

The structure of ETFs may vary; however, the major common features include:

- ETFs have one or more exchange listings;
- A majority of ETFs are index trackers but a few are actively managed;
- Depending on their domicile, ETFs usually only accept subscriptions and redemptions on the primary market from financial institutions which are registered as authorised participants with the ETFs; other investors which are not authorised participants would buy

and sell shares in the ETFs on the secondary market, e.g., through intermediaries on stock exchanges on which the shares are traded;

- Depending on the underlying exposure, certain ETFs may accept subscriptions and redemptions on an in-kind basis (and/or in cash) from or via authorised participants (typically in large blocks of shares only); and
- The 'value' of the ETF (but not necessarily the price at which its shares trade) derives from the value of the underlying assets comprising the ETF.

The price of the ETF shares depends on two main factors:

- The value of the underlying investments; and
- The popularity (or unpopularity) of the ETF shares in the market.

The result is that ETF shares do not simply reflect the value of the underlying investments, they also reflect their popularity in the market. At any time, the share price may trade at a discount or premium to the net asset value.

Some ETFs borrow money to invest, to increase the level exposure to the underlying index ("gearing"). Gearing improves an ETF's performance when its investments are doing well. However, if its investments are not performing as well as expected, gearing lowers performance. An ETF that is geared is a higher-risk investment than one which is not geared (assuming the same underlying investments).

ETCs are similar to ETFs in the way that their securities are also listed or traded on exchange and the price of the ETC securities will depend on the value of the underlying investments as well as the popularity (or unpopularity) of the ETC. ETCs are not called ETFs because they are not structured as CISs; rather, ETCs may be structured as a series of debt securities (instead of sub-funds) issued by a special purpose vehicle and provide exposure to an underlying physical commodity such as physical gold.

6.2.6. Funds of Funds

Funds of funds are CISs that invest in other CIS. Two common types are:

- Funds of hedge funds; and
- Private equity funds of funds.

A fund of hedge funds invests in other hedge funds.

A private equity fund of funds invests in other private equity funds.

Fund of funds offer an opportunity for investors to invest in a portfolio of hedge funds or private equity funds (and thereby diversify their risk).

The returns on a fund of funds will be lower than a series of direct investments in the underlying funds because the Investment Manager of the fund of funds takes a fee in addition to the fee charged by the Investment Managers of the underlying funds.

Investments in a fund of hedge funds are typically subject to transfer and redemption restrictions. Transfers are usually subject to the approval by the fund and redemption may be permitted only after an initial lock-in period and long notification periods.

Investment in private equity fund of funds is typically by way of commitment whereby an investor agrees to commit to invest a certain amount in the fund and this amount is drawn down by the fund as and when it is needed, to honour its commitments to the private equity funds in which it has invested.

Private equity funds tend to be closed ended and to have a finite lifespan. During the life of the private equity fund it is usually not possible for a CIS to redeem its investment. Therefore, if a portfolio invests in a private equity fund, it may be several years before a portfolio sees any sort of return on the investment.

7. Structured Products

Structured products are products structured to fulfil a particular trading or market objective.

A structured product may combine the features of two or more financial instruments, such as a bond and a derivative. Where this is the case, the structured product will typically be exposed to the risks of each of those financial instruments, but they may interact with each other in ways which magnify those risks and/or give rise to other risks and this may depend on the particular circumstances and market conditions.

Derivatives often constitute an integral part of a structured product. The product may involve an element of Leverage and so a relatively small movement in the value of the relevant underlying asset or index may have a significant effect on the value of the structured product.

Structured products are generally not traded on regulated markets and a portfolio takes the risk on the counterparty issuing the structure.

There is typically no recognised market for these investments, and it may, therefore, be difficult for a portfolio to deal in the investment or to obtain reliable information about its value or the extent of the risks to which it is exposed.

Structured products are typically structured with the intention that they are held to maturity. The disposal of the structured product prior to maturity may result in a sale price that is significantly less than the amount in invested and may not reflect any increase in value attributable to the increase in the underlying asset.

Structured products may be subject to call risk, in which case the investor's exposure to the underlying asset may be terminated earlier than the investor had anticipated, and the investor may therefore not fully experience the performance potential of the underlying asset.

Some structured products include an element of capital protection or a guaranteed investment return (for example, in terms of the minimum amount payable at maturity or in terms of income yield). However, a portfolio should bear in mind that this is not a guarantee that the amount invested will be repaid or that the return will be achieved in all circumstances. In particular the capital protection or minimum return offered is typically subject to the investment being held until maturity and to the creditworthiness of the issuer. Accordingly, if the structured product is sold or redeemed prior to maturity, the amount realised (or return achieved) may be less than the amount that would be payable (or the return that would be achieved) at maturity under the capital protection (or, as applicable, the guaranteed return) feature.

Structured products are often high-risk investments, and a portfolio could lose some or all of the money that it has invested in them.

8. Linked Long-Term Insurance Policies (Life Policies)

Within the UK, linked long-term insurance is a form of pooled investment offered by certain life insurance companies to eligible investors (principally pension scheme trustees acting on behalf of pension schemes).

A linked long-term insurance policy is a long-term insurance contract where the benefits are wholly or partly to be determined by references to the value of, or the income from, property of any description (whether or not specified in the contracts) or by reference to fluctuations in, or in an index of, the value of property of any description (whether or not so specified).

The life insurance company typically establishes funds in the form of investment portfolios. These funds are then notionally divided into units for the sole purpose of ascertaining the benefits payable under the policies that the life insurance company has written for its various investors.

Each fund has a specified investment objective and policy. The range of funds available will, accordingly, enable investors to gain exposure (amongst others) to a range of markets, sectors, asset classes and investment strategies. The funds will seek to achieve their investment objectives and policies by investing in 'property' (assets) that are permitted (by applicable law and regulation) to be held for the purposes of providing benefits under the linked long-term policies. This 'property' will typically consist of cash, shares, bonds, CIS and/or derivatives but may include other classes of assets.

Each investor will enter into a policy with the life insurance company and will then contribute premiums in exchange for units in the funds the investor has selected according to their investment preferences. As and when the investor wishes to divest from funds (in part or in full), the investor will surrender units in exchange for payment of an amount equal to the value of the units they have surrendered.

As noted above, linked long-term insurance policies operate such that investor benefits under the policies are wholly or partly determined by reference to the value of, or the income from the underlying linked property. This means that investors bear substantially all of the market and counterparty risks associated with the cash, shares, bonds, CIS, derivatives and any other ‘property’ held by the funds. All investments are subject to risks, including fluctuations in capital value. Investors should always bear in mind that the value of the ‘property’, the price of their units and/or income from a fund can go down as well as up and is not guaranteed. An investor may lose some or all of the premium that they have contributed.

Please note insurance products that are domiciled outside of the UK may be structured differently than described above.

9. Miscellaneous

9.1. Distressed Securities

Investment in a security issued by a company that is either in default or in high risk of default (“Distressed Securities”) involves significant risk.

Such investments will only be made when the Investment Manager believes it is reasonably likely that the issuer of the securities will make an exchange offer or will be the subject of a plan of reorganisation.

There can be no assurance that such an exchange offer will be made or that such a plan of reorganization will be adopted or that any securities or other assets received in connection with such an exchange offer or plan of reorganisation will not have a lower value or income potential than anticipated when the investment was made.

In addition, a significant period of time may pass between the time at which the investment in Distressed Securities is made and the time that any such exchange offers, or plan of reorganisation is completed. During this period, it is unlikely that any interest payments on the Distressed Securities will be received, there will be significant uncertainty as to whether or not the exchange offer, or plan of reorganisation will be completed, and there may be a requirement to bear certain expenses to protect a portfolio’s interest in the course of negotiations surrounding any potential exchange or plan of reorganisation.

In addition, as a result of participation in negotiations with respect to any exchange offer or plan of reorganisation with respect to an issuer of Distressed Securities, a portfolio may be precluded from disposing of such securities.

Furthermore, constraints on investment decisions and actions with respect to Distressed Securities due to tax considerations may affect the return realised on the Distressed Securities.

A portfolio may invest in securities of issuers that are encountering a variety of financial or earnings problems and represent distinct types of risks.

A portfolio's investments in equity or fixed income transferable securities of companies or institutions in weak financial condition may include issuers with substantial capital needs or negative net worth or issuers that are, have been or may become, involved in bankruptcy or reorganisation proceedings.

9.2. Smaller Capitalisation Companies

Securities of smaller capitalisation companies may, from time to time, and especially in falling markets, become illiquid and experience short-term price Volatility and wide Bid/Ask Spreads.

Investment in smaller capitalisation companies may involve higher risk than investment in larger companies.

The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general.

Smaller companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time.

Many small company stocks trade less frequently and in smaller volume and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the price of a fund's units.

9.3. Investments in Specific Sectors or Technologies

A portfolio may have exposure to technology stocks. Investments in securities of technology related companies present certain risks that may not exist to the same degree as in other types of investments and tend to be relatively more volatile.

Technology-related investments may include smaller and less seasoned companies. Such companies may have limited product lines, markets, or financial resources, or may depend on a limited management group. These companies also strongly affected by worldwide scientific or technological developments, and their products may rapidly fall into obsolescence.

The share price gains of many companies involved in the alternative energy and energy technology sectors in the recent past have been significantly greater than those experienced by equity markets as a whole. Consequently, the shares of many alternative energy and energy technology focused companies are now valued, using certain valuation criteria, at a substantial premium to the average for equity markets in general.

There can be no assurance or guarantee that current valuations of alternative energy and energy technology focused companies are sustainable.

Competition between technology companies is intense, and profit margins can be small or non-existent. In fact, many technology companies operate at substantial losses with no prospect for profit in the foreseeable future. Consequently, investment in such companies by a portfolio may be considered speculative.

With regard to asset-based securities, while the market price for an asset-based security and the related natural resource asset generally are expected to move in the same direction, there may not be perfect correlation in the two price movements. Asset-based securities may not be secured by a security interest in or claim on the underlying natural resource asset. The asset-based securities in which a portfolio may invest may bear interest or pay preferred dividends at below market rates and, in some instances, may not bear interest or pay preferred dividends at all.

Certain asset-based securities may be payable at maturity in cash at the stated principal amount or, at the option of the holder, directly in a stated amount of the asset to which it is related. In such instance, a portfolio would endeavour to sell the asset-based security in the secondary market prior to maturity if the value of the stated amount of the asset exceeds the stated principal amount and thereby realise the appreciation in the underlying asset. There may also be increased impacts on the value of the investments as a result of environmental factors (both physical changes related to climate change and the transition to alternative energy), as well as social and governance factors. Funds with specific sectoral concentrations such as investing in industries or issuers with high carbon intensity or high switching costs associated with the transition to low carbon alternatives, may be more impacted by climate transition risks.

In relation to investments in financial services companies, investors should note that the prices of stock issued by many financial services companies have historically been more closely correlated with changes in interest rates than other stocks. Generally, when interest rates go up, stock prices of these companies go down. This relationship may not continue in the future.

9.4. Bail-In Risk

This is the risk that the financial instruments of certain issuers, including banking institutions, building societies, investment firms and certain banking group companies, may be subject to action taken by governmental, banking and/or other regulatory authorities, for example to address banking crises pre-emptively, whether or not the express terms of such financial instruments anticipate such action.

The relevant authorities may have broad discretion with respect to the action they may take, and their powers may be extended in response to particular events. Examples of the actions that they may be able to take could include the following:

- The reduction, including to zero, of the principal of the fixed income instruments of such issuers;
- The conversion of such fixed income instruments into equity securities or other instruments of ownership (resulting in the dilution of ownership interests of existing shareholders);
- The variation of the terms, including with respect to maturity, of such fixed income instruments; and
- Shareholders being divested of their shares.

EU member state authorities are more likely to use a “bail-in” tool to rescue troubled banks, instead of relying on public financially support as they have in the past, as European Union (“EU”) member state authorities now consider that public financial support should only be used as a last resort after having assessed and exploited, to the maximum extent practicable, other resolution tools, including the “bail-in” tool.

In addition to bail-in risk, certain issuers (principally, banking institutions) may issue a hybrid form of subordinated fixed income security known as contingent convertible securities (“CoCos”). These financial instruments are intended to either convert into equity or have their principal written down upon the occurrence of certain “triggers” linked to regulatory capital thresholds or where the issuer’s regulatory authorities question the continued viability of the entity as a going-concern. There may be broad discretion conferred on the issuer with respect to the determination as to whether any of these triggers have occurred and the specific features and characteristics of CoCos may vary significantly, as they are typically tailored to the particular issuer and its regulatory requirements. Therefore, it is particularly important to review the relevant terms and conditions.

9.5. Securities lending

Where portfolios are engaging in securities lending, the portfolios will have a credit risk exposure to the counterparties to any securities lending contract. 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 portfolio. More information regarding securities lending can be found at www.blackrock.com or by contacting your BlackRock representative.

9.6. Risks in relation to Repurchase Agreements

In the event of the failure of the counterparty with which collateral has been placed, the portfolio may suffer loss as there may be delays in recovering collateral placed out or the cash originally received may be less than the collateral placed with the counterparty due to inaccurate pricing of the collateral or market movements.

9.7. Risks in relation to Reverse Purchase Agreements

In the event of the failure of the counterparty with which cash has been placed, the portfolio may suffer loss as there may be delay in recovering cash placed out or difficulty in realising collateral or proceeds from the sale of the collateral may be less than the cash placed with the counterparty due to inaccurate pricing of the collateral or market movements.

9.8. ESG Risk

The application of environmental, social and governance (“ESG”)-based exclusionary criteria may result in the portfolio foregoing opportunities to purchase, or otherwise reducing exposure to or underweighting, certain securities when it might otherwise be advantageous to carry out such purchase or maintain its holding of such securities, and/or selling securities due to their ESG characteristics, when to do so might otherwise be disadvantageous. As such, the use of such criteria may affect a portfolio’s investment performance.

In assessing a security, issuer or index based on ESG characteristics, the Investment Manager may be dependent upon information and data from third-party ESG research providers, which may be incomplete, inaccurate or unavailable. It may also seek to rely on its own proprietary models which may similarly rely on information, which is incomplete, inaccurate or unavailable. As a result, there is a risk that the Investment Manager may incorrectly assess a security, issuer or index. There is also a risk that the Investment Manager, or third-party ESG providers on which the Investment Manager may depend, may not interpret or apply the relevant ESG characteristics correctly. Neither the Investment Manager nor any of their affiliates makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any such ESG assessment.

9.9. Artificial Intelligence (AI) Risk

Companies in AI-related businesses will be subject to risks associated with developing technology and will face intense competition which may have an adverse effect on profit margins. It is likely that these companies will also rely heavily on Patents and other proprietary rights and any loss of, or limitation on their ability to enforce, such proprietary rights in the future could have a material adverse effect on their profitability. Certain AI technology features may also increase the risk of fraud or cyberattack.

9.10. Distribution related controversial weapons screening

BlackRock funds registered for sale in certain jurisdictions including, but not limited to, Italy and Netherlands may be subject to local laws related to investment in companies with ties to controversial weapons. Such screening may reduce the potential investment universe, and this may adversely affect the value of the fund's investments compared to a fund without such screening.

10. Index-Related Risks

Client Portfolios managed under an Agreement with BlackRock, may reference an index against which the return of the Portfolio (or part of it) is compared ("benchmark index"). The benchmark index will be made available to BlackRock by a service provider ("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. 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.

BlackRock 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 (as is the case, for example, with a custom benchmark implemented following client request). Therefore gains, losses or costs associated with index provider errors will be borne by the client or the Portfolio. As such, errors may result in a negative or positive performance impact to the Portfolio. Clients should understand that any gains from index provider errors will be kept by the Portfolio and any losses resulting from index provider errors will be borne by the client or Portfolio.

The Investment Manager will not be liable to the client for index provider inaccuracies, omissions or other errors, failures to publish or other interruptions. Index providers normally provide data on a no-liability basis with no recourse against the provider for any provider inaccuracies, omissions or other errors, failures to publish or other interruptions.

APPENDIX 5

Appendix 5 – Part 1 – Delegation of Discretionary Portfolio Management

Where your portfolio or part of your portfolio is invested in the assets listed under the column "Asset Class" in the following table, we may, subject to your agreement, delegate discretionary portfolio management of your portfolio, or such part of it, to our affiliates listed in the column "Delegate".

List of Delegates:

BlackRock Advisors (UK) Limited
BlackRock Alternatives Management LLC
BlackRock Asset Management North Asia Limited
BlackRock Capital Investment Advisors LLC
BlackRock Financial Management, Inc.
BlackRock Fund Managers Limited
BlackRock Institutional Trust Company, National Association
BlackRock International Limited
BlackRock Investment Management (Australia) Limited
BlackRock Investment Management (Taiwan) Limited
BlackRock Investment Management (UK) Limited
BlackRock Investment Management, LLC
BlackRock Japan Co., Ltd
BlackRock Singapore Ltd
Global Infrastructure Partners, LLC
HPS Investment Partners, LLC

Appendix 5 – Part 2 – Routing of Order Transmission and Execution Services

As described in Section 9 and Appendix 1, we may route order transmission and execution services to affiliated entities which may include:

Entity	Location
BlackRock Financial Management, Inc	USA
BlackRock Institutional Trust Company, N.A.	USA
BlackRock Investment Management, LLC	USA

BlackRock Capital Management, Inc.	USA
BlackRock Advisors, LLC	USA
BlackRock International Limited	United Kingdom
BlackRock Investment Management (UK) Limited	United Kingdom
BlackRock Advisors (UK) Limited	United Kingdom
BlackRock Asset Management North Asia Limited	Hong Kong
BlackRock (Singapore) Limited	Singapore
BlackRock Overseas Investment Fund Management (Shanghai) Co., Ltd	Shanghai
BlackRock México Operadora, S.A. de C.V., Sociedad Operadora de Fondos de Inversión	Mexico
BlackRock Investment Management (Australia) Limited	Australia
BlackRock Japan Co., Ltd	Japan
BlackRock Investment Management (Taiwan) Limited	Taiwan
Global Infrastructure Partners, LLC	USA
HPS Investment Partners, LLC	USA

APPENDIX 6

Appendix 6 – Directory of Entities

Entity	Address	Telephone	Regulator
BlackRock (Netherlands) B.V.	Rembrandt Tower, Amstelplein 1, 17th Floor 1096 HA Amsterdam, the Netherlands	+31 20 549 5200	De Autoriteit Financiële Markten (Dutch Authority for the Financial Markets) ("AFM") - Vijzelgracht 50, 1017 HS, Amsterdam, the Netherlands Dutch Central Bank ("DNB") - Spaklerweg 4, 1096 BA Amsterdam, Netherlands
BlackRock Investment Management (UK) Limited	Drapers Gardens, 12 Throgmorton Avenue, London EC2N 2DL, United Kingdom	+44 20 7743 3000	UK Financial Conduct Authority ("FCA") -12 Endeavour Square, London E20 1JN, United Kingdom Securities and Exchange Board of India ("SEBI") - SEBI Bhavan BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai, Maharashtra, India
BlackRock Advisors (UK) Limited	Drapers Gardens, 12 Throgmorton Avenue, London EC2N 2DL, United Kingdom	+44 20 7743 3000	UK Financial Conduct Authority ("FCA") - 12 Endeavour Square, London E20 1JN, United Kingdom Capital Market Authority ("CMA") in Saudi Arabia – King Fahad Road. P.O. Box 87171. Riyadh, Kingdom of Saudi Arabia The China Securities Regulatory Commission ("CSRC") – Focus Place 19, Jin Rong Street, Xicheng District, Beijing. China The South Korean Financial Supervisory Commission / Financial Supervisory Service - Seoul Government Complex, 209 Sejong-daero, Jongno-gu, Seoul, Republic

BlackRock International Limited	Dundas House, 20 Brandon Street, Edinburgh, United Kingdom, EH3 5PP	+44 131 472 7200	UK Financial Conduct Authority ("FCA") - 12 Endeavour Square, London E20 1JN, United Kingdom US Securities and Exchange Commission ("SEC") - 100 F Street NE Suite 10400 Washington, DC 20549, United States Commodity Futures Trading Commission ("CFTC") – 1155 21st Street, NW, Washington, D.C., United States The South Korean Financial Supervisory Commission / Financial Supervisory Service - Seoul Government Complex, 209 Sejong-daero, Jongno-gu, Seoul, Republic of Korea (Postal code 03171)
BlackRock Institutional Trust Company N.A, (UK Branch)	Drapers Gardens, 12 Throgmorton Avenue, London EC2N 2DL, United Kingdom	+44 20 7743 3000	UK Financial Conduct Authority ("FCA") - 12 Endeavour Square, London E20 1JN United Kingdom Office of the Comptroller of the Currency ("OCC") - 400 7th St., SW Suite 3E-218, Washington, DC 20219, United States
BlackRock Asset Management Deutschland AG	Lenbachplatz 1, Munich, 80333, Germany	+49 89 427295899	German Bundesbank für Finanzdienstleistungsaufsicht (GermanFederal Financial Supervisory Authority ("BaFin") - Graurheindorfer Str. 108, 53117 Bonn and Marie-Curie-Str. 24-28, 60439 Frankfurt, Germany
BlackRock France S.A.S	Le Centorial, 16-18 rue du Quatre Septembre 75002 Paris, France	+33 156 43 29 00	Autorité des Marchés Financiers (" AMF") – 17, place de la Bourse 75 082 Paris Cedex 02, France

APPENDIX 7

Appendix 7 – Glossary of Terms

Glossary of Terms	
Adviser	An individual providing Investment Advice to a BlackRock client.
Affiliated Parties	BlackRock and the other companies within the BlackRock Group
Agreement	An investment management agreement, an execution services agreement or a non-discretionary advisory agreement.
Bid/Ask Spread	The difference between the market price quotations, for buying and for selling particular securities.
BlackRock Group	BlackRock entities as listed in Appendix 6 together with other subsidiaries of BlackRock Group Limited.
CASS Rules	Means the rules, guidance, principles and other provisions contained in the Client Asset Sourcebook in the FCA Handbook.
Client's Investments (or Portfolio)	A collection of investments or a separate portfolio of investments being invested in by the Client.
Crossing Network	An electronic Execution Venue that enables the matching of orders directly between buyers and sellers. Commissions are typically lower while market impact and Bid/Ask spreads are removed altogether. Liquidity is often a constraint to order completion.
Cross Trades	A transaction that results in a trader directly or indirectly matching buy and sell orders on the same security from different portfolios managed by the Firm for the benefit of its clients.
Data Controller	A legal or natural person, public authority, agency or other body which, alone or jointly with others, determines the purposes and means of the processing of personal data.
Delegate	The act of BlackRock appointing a company to exercise BlackRock's functions, powers and duties in BlackRock's place under the Agreement.
Directed Brokerage	The process whereby a client directs a manager to place trades for his account through a specific broker, in exchange for which the client will receive a rebate of a portion of the total commission in addition to execution services. The arrangement can be managed by a third party, such as an investment

Glossary of Terms	
	consultant, or managed by the client's investment manager.
Dutch Rules	Includes any rules, guidance, principles and other provisions issued by the Dutch Authority for the Financial Markets) ("AFM") and the Dutch Central Bank ("DNB") or of any successor regulatory bodies, and any other rules, guidance, principles and other provisions made by the AFM or the DNB or their successors that are binding on BlackRock, and references to Dutch Rules are to such rules as amended or consolidated from time to time.
EU and UK Securitisation Regulations	The EU and UK Securitisation Regulations are designed to create a standardised securitisation framework for in-scope securitisations. The EU Securitisation Regulations came into effect on 1 January 2019. The UK Securitisation Regulations refer to the Securitisation Regulations 2024 that came into force on 1 November 2024,
Execution Services	These services include execution of orders on behalf of clients' meaning acting to conclude agreements to buy or sell one or more financial instruments on behalf of clients and includes the conclusion of agreements to sell financial instruments issued by an investment firm or a credit institution at the moment of their issuance.
Execution Venue	A Regulated Market, an MTF, an OTF, a Systematic Internaliser, a Market Maker, Other Liquidity Provider or an entity that performs a similar function in a third country to the functions performed by any of the foregoing.
External Funds	Collective Investment Schemes (which includes Regulated and Unregulated Collective Investment Schemes (each as respectively defined in the relevant local regulations)) and, for the avoidance of doubt, exchange traded funds) and investment trusts managed or operated by third party investment management firms.
FCA Rules	Includes any rules, guidance, principles and other provisions contained in the Handbook of Rules and Guidance ("FCA Handbook") issued by the UK

Glossary of Terms	
	Financial Conduct Authority pursuant to the Financial Services and Markets Act 2000 or of any successor regulatory body, and any other rules, guidance, principles and other provisions made by the FCA or its successor that are binding on BlackRock, and references to FCA Rules are to such rules as amended or consolidated from time to time.
FINRA	The Financial Industry Regulatory Authority is a United States self-regulatory organization that oversees and regulates the actions of its members. Members of FINRA include exchange markets and brokerage firms.
Inducement	In general, inducements are defined as any monetary or non-monetary benefit which is paid or provided to or by a Third Party (or a person acting on behalf of a third party), in connection with an investment or ancillary service provided by BlackRock to a client.
In -House Funds	Collective Investment Schemes (which includes Regulated and Unregulated Collective Investment Schemes ((each as respectively defined in the relevant local regulations) and, for the avoidance of doubt, exchange traded funds) and investment trusts managed or operated by BlackRock or any other company in the BlackRock Group.
Inside Information	Information is considered to be inside information when it is of a precise nature, has not been made public, relates directly or indirectly to one or more issuers or financial instruments; and if it were made public, would be likely to have a significant effect on the prices of those financial instruments or related financial instruments.
Institutional Investor	Under EU and UK Securitisation Regulations, an Institutional Investor typically refers to entities that are considered to have the expertise and resources to invest in securitisation positions. These include: • Credit institutions: banks and other financial institutions that accept deposits and provide loans; • Investment firms: companies that provide investment services, such as portfolio management and investment advice; • Insurance and reinsurance undertakings: companies that provide insurance and reinsurance services;

Glossary of Terms	
	• Undertakings for Collective Investment in Transferable Securities (UCITS) and the companies that manage them; • Alternative investment funds (AIFs) and their managers; and • Pension funds and their management companies
Investment Advice	The provision by an investment firm of personal recommendations to a client, either upon its request or at the initiative of the investment firm, in respect of one or more transactions relating to financial instruments.
Investment Manager	A company or individual that is authorised to make investments in portfolios of securities on behalf of clients in accordance with the investment objectives and parameters the client has defined. Investment managers will undertake all activities associated with the management of a client portfolio, including (but not limited to) the day-to-day buying and selling of securities to portfolio monitoring, transaction settlement, performance measurement, as well as regulatory and client reporting.
Leverage	When investors borrow funds to increase the amount they have invested in a particular position, they use leverage. Sometimes portfolio managers use leverage to enable them to put on new positions without having to take off other positions prematurely. Investment managers who target very small price discrepancies or spreads will often use leverage to magnify the returns from these discrepancies. Leverage both magnifies the risk of the strategy as well as creates risk by giving the lender power over the disposition of the investment portfolio. This may occur in the form of increased margin requirements or adverse market shifts, forcing a partial or complete liquidation of the portfolio. The amount of leverage used by the fund is commonly expressed as a percentage of the fund. For example, if the fund has £1 million and borrows another £2 million to bring the total invested to £3 million, then the fund is leveraged 200%.
Liquidity	The degree to which an asset or security can be bought or sold in the market without affecting the asset's price. Liquidity is characterised by a high level of trading activity.The ability to convert an asset to cash quickly. Investing in illiquid assets is riskier

Glossary of Terms	
	because there might not be a way for you to get your money out of the investment. Examples of assets with good liquidity include blue chip common stock and those assets in the money market. A fund with good liquidity would be characterised by having enough units outstanding to allow large transactions without a substantial change in price.
Market Impact	The effect a market participant has when it buys or sells an asset and the extent to which the buy or sell moves the price against the buyer or seller.
Market Maker	A person who holds himself out on the financial markets on continuous basis as being willing to deal on own account by buying and selling financial instruments against the person's proprietary capital at prices defined by that person.
MiFID	The European Parliament and Council Directive on Markets in Financial Instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (No. 2014/65/EU).
MiFID II	Laws and regulations introduced by Member States of the EU to implement the EU's second Markets in Financial Instruments Directive ("MiFID II") and the EU's Markets in Financial Instruments Regulation ("MiFIR"), which came into force on 3 January 2018.
MiFID Quick Fix	Directive (EU) 2021/338 of the European Parliament and of the Council of 16 February 2021 amending Directive 2014/65/EU as regards information requirements, product governance and position limits, and Directives 2013/36/EU and (EU) 2019/878 as regards their application to investment firms, to help the recovery from the COVID-19 crisis.
MiFIR	The European Parliament and Council Regulation on markets in financial instruments (No. 600/2014)
Multilateral System	Any system or facility in which multiple third-party buying and selling trading interests in financial instruments are able to interact in the system.
Multilateral Trading Facility ("MTF")	For the purposes of MiFID II, a multilateral system, operated by an investment firm or market operator, which brings together multiple third-party buying and selling interests in financial instruments - in the system and in accordance with non-discretionary rules – in a way that results in a contract in accordance with MiFID II (Article 4(1)(22)).

Glossary of Terms	
	EU MTF: in the UK from the end of the Transition Period, a multilateral system, operated by an investment firm or a market operator which brings together multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way which results in a contract in accordance with Title II of MiFID (Article 14(B), UK MiFIR). UK MTF: from the end of the Transition Period, a multilateral system, operated by a UK investment firm or market operator, which: • brings together multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way which results in a contract; • complies, as applicable, with paragraph 9A of the Schedule to the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) (SI 2001/995), the EU regulations specified in Schedule 2 to UK MiFIR, rules made by the FCA governing the operating conditions of investment firms so far as they apply to MTFs. For the purposes of this definition, an investment firm or market operator is a UK investment firm or market operator if it has its head office in the UK (Article 14A, UK MiFIR).
NAV	Net Asset Value, meaning the value of the assets of a portfolio or Collective Investment Scheme, minus its liabilities.
Onshoring of MiFID II	Statutory Instrument No 2018/1403 The Markets in Financial Instruments (Amendment) (EU Exit) Regulations 2018 makes amendments to MiFIR, the tertiary legislation made under MiFID II and the UK legislation which implemented MiFID.
Organised Trading Facility ("OTF")	A multilateral system which is not a regulated market or an MTF and in which multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract in accordance with Title II of MIFID II. EU OTF and UK OTF: in the UK from the end of the Transition Period, as defined under UK MiFIR. When

Glossary of Terms	
	considering these terms, reference should be made to the FCA Handbook glossary definition of OTF.
Other Liquidity Provider	A firm that holds itself out as being willing to deal on own account, and which provides liquidity as part of its normal business activity, whether or not it has formal agreements in place or commits to providing liquidity on a continuous basis.
Personal Information	Personal Information means any information relating to an Individual, which can be used either alone or with other sources of information to identify that individual.
Portfolio Manager	An individual with day-to-day responsibility for managing portfolios in accordance with mandates given by clients on a discretionary client-by-client basis where such portfolios include one or more financial instruments.
Professional Client	A Professional client is a client who possesses the experience, knowledge and expertise to make its own investment decisions and properly assess the risks that it incurs. In order to be considered to be a professional client, the client must comply with the criteria laid down in Annex II of MiFID. II.
Programme Trades	Trades for a basket of securities placed through a single broker and priced as a portfolio and not by reference to the individual constituents of the basket.
Regulated Market	A multilateral system operated and/or managed by a market operator which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments - in the system and in accordance with its non-discretionary rules – in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provision of Title III of MiFID II (Article 4(1)(21)). In the UK from the end of the Transition Period, as defined under UK MiFIR. When considering these terms, reference should be made to the FCA Handbook glossary definition of regulated market. When considering these terms, reference should be made to the FCA Handbook glossary definition of regulated market. The European Securities Markets Agency ("ESMA") maintains a database of regulated markets which is updated from time to time at https://www.esma.europa.eu/databases-library/registers-and-data The list of UK regulated markets maintained by the FCA can be found at https://register.fca.org.uk/.

Glossary of Terms	
Short Selling	The selling of a security that the seller does not own, or any sale that is completed by the delivery of a security borrowed by the seller. Short sellers assume that they will be able to buy the stock at a lower amount than the price at which they sold short. Selling short is the opposite of going long. That is, short sellers make money if the stock goes down in price. This is an advanced trading strategy with many unique risks and pitfalls.
Securities Lending	The process by which securities are transferred to a counterparty, subject to an obligation for return of the equivalent securities at a future date. The lender is remunerated by way of a fee.
SOFR	The Secured Overnight Financing Rate (SOFR)
Suitability	Describes the process by which an investment firm takes all reasonable steps to ensure that investments recommended to a client or traded on behalf of a client (this includes buy, hold, sell, subscribe for, or underwriting decisions) are suitable for a client.
Sustainability Factors	The term 'sustainability factors' refers to environmental, social and employee matters, respect for human rights, anti-corruption and bribery matters.
Systematic Internaliser	An investment firm which, on an organized, frequent systematic and substantial basis, deals on own account when executing client orders outside a regulated market, an MTF or an OTF without operating a multilateral system
Trading Venue	A Regulated Market, an MTF or an OTF. After the Transition Period ends, UK trading venues will become third-country trading venues. Similarly, EEA venues will become third-country venues under UK law.
Transition Period	Period agreed in the UK–EU Withdrawal Agreement in which the UK is no longer a member of the EU but remains a member of the single market and customs union. The Transition Period started immediately after the UK left the EU on 31 January 2020 and ends on 31 December 2020 11pm UK time. After the end of the Transition Period, onshored legislation will apply.
UCITS	An Undertakings for Collective Investment in Transferable Securities authorised in the European Economic Area and established in accordance with the UCITS Directive 2009/65/EC.

Glossary of Terms	
UK UCITS	A UK Undertakings for Collective Investment in Transferable Securities. As UK authorised schemes will no longer be established and authorised in the European Economic Area, they will lose their legal status as UCITS funds according to European Union law. The Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2018 introduces a UK UCITS regime for funds established and authorised in the United Kingdom, which will be distinguished by the label "UK UCITS".
UK MiFID Quick Fix	The Markets in Financial Instruments (Capital Markets) (Amendment) Regulations 2021 which makes several changes to the on-shored Commission Delegated Regulation (EU) 2017/565 (the on-shored UK MiFID II Delegated Regulation) and complement the changes proposed by the FCA in CP 21/9.
UK MiFIR	Retained EU law version of MiFIR applying in the UK from the end of the Transition Period.
Volatility	The relative rate at which the price of a security or fund moves up and down. Volatility is found by calculating the annualised standard deviation of daily change in price. If the price of a stock moves up and down rapidly over short time periods, it has high volatility. If the price almost never changes, it has low volatility.
ZCIRS	Zero coupon interest rate swaps, an agreement between two parties in which a fixed set of cashflows are exchanged for a set of cashflows linked to short term interest rates.

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