

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action to be taken you should consult your stockbroker, bank manager, solicitor, accountant, relationship manager or other professional adviser.

BLACKROCK STRATEGIC FUNDS

Registered office: 49, avenue, J.F.Kennedy, L-1855 Luxembourg, Grand Duchy of Luxembourg
R.C.S. Luxembourg B 127481

15 October 2020

To the shareholders of BlackRock Strategic Funds – BlackRock European Absolute Return Fund (the “Fund”) ISIN:LU1706559587; LU0411704413; LU0414668557; LU0414666189; LU0414665884; LU0776931064; LU0748867792; LU0802637750; LU0827970921

Dear Shareholder,

Capacity Management – Soft Closure

Background

In conjunction with our risk management and portfolio management teams, we continuously review the investment capacity across our strategies to ensure that our funds are kept within a size that best enables them to be managed optimally and for the interests of shareholders to be protected.

Fund Subscriptions and review of capacity limit

In order to allow us to continue managing the Fund in the best interests of Shareholders and to allow you as an existing Shareholder to continue benefitting from the performance of the Fund, we have determined that the Fund will be soft-closed as of 16 October 2020 until further notice (the “Effective Date”) to protect your interests.

This means that as of the Effective Date, requests to subscribe for, and or convert from another fund into, shares of the Fund by a Shareholder (and any new investor) shall be capped at a daily limit of EUR 1.5 million or the equivalent thereof per investor until further notice. Shareholders who continue to hold shares in the Fund from the Effective Date can continue to redeem their shares in the Fund.

Any further notification in this regard will be provided on the BlackRock website detailed below.

For the avoidance of doubt, we intend to continue to accept outstanding instalments from regular saver shareholders where the aggregate subscription amount has been contractually agreed with the relevant saver prior to the Effective Date.

It has been decided to control the size of the Fund in this way, in accordance with the terms of the Prospectus, to help us ensure that the proceeds of subscriptions can be suitably invested and that existing investments can be efficiently managed. This in turn helps us in our aim of achieving the investment objective of the Fund and in protecting the best interests of Shareholders. Where steps are not taken to manage the size of a capacity constrained fund, a consequence may be a shortfall of available assets in which the proceeds of further subscriptions can be invested in compliance with the investment objective.

Future Activity

In the future, we may deem it appropriate to re-open the Fund to subscriptions in whole, either on a temporary basis (for example if a limited amount of capacity becomes available) or on a permanent basis (where significant capacity becomes available enabling

normal dealing procedures to resume until further notice) at our discretion. We may also deem it appropriate to again close or limit the Fund, in whole or in part, to new subscriptions in the future.

If or when the Fund is re-opened, closed for or limited for further subscriptions, this will be notified to shareholders on the product pages for the Fund on the BlackRock website (www.blackrock.com). In such circumstances, the size of any shareholder's proposed investment may be limited by the amount of capacity within the Fund that we have determined is available for further subscription.

The local Investor Servicing team will be able to confirm whether or not the shares in the Fund are available for subscription at any particular time.

Action to be taken by you

You do not need to take any action in relation to this letter.

Further Information

If you would like any further information, please contact your local Investor Servicing team at: Investor.services@blackrock.com, telephone: +44 (0)20 7743 3300 or your local representative. For further information regarding the Fund or any of our other European equity funds please visit the BlackRock website at www.blackrock.com.

The Company's Prospectus, the Articles of Association, the Key Investor Information Documents ("KIID"), the Annual Report, the Unaudited Interim Report and Financial Statements as well as a detailed list of investments purchased and sold for any Fund in the financial year are available free of charge from the Representative in Switzerland.

The Swiss Representative is: BlackRock Asset Management Switzerland Limited, Bahnhofstrasse 39, 8001 Zurich, Switzerland.

The paying agent in Switzerland is: State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8027 Zurich, Switzerland.

Yours faithfully,



Paul Freeman
Chairman