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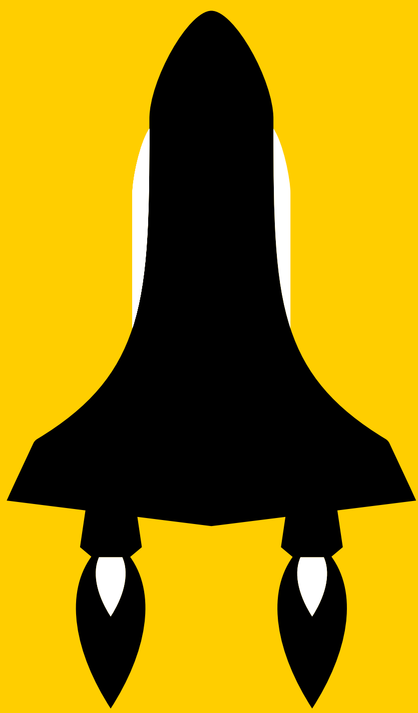
FRIENDS, ROMANS, COUNTRYMEN LEND YOUR SECURITIES!

HOW LENDING SECURITIES (INCL. ETFs) CAN BOOST PORTFOLIO EFFICIENCY



iShares
by BlackRock

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EXECUTIVE SUMMARY

Securities lending and ETF unit lending are increasingly valuable tools for enhancing portfolio efficiency while managing risk. Securities lending—where underlying securities are temporarily loaned in exchange for collateral and fees—generates incremental income without altering investment strategy.

In Fixed Income, demand for government and corporate bonds supports consistent lending activity. Data from iShares Fixed Income UCITS ETFs shows that securities lending benefits lenders by significantly reducing Total Expense Ratios (TER), with reductions of up to 86% in USD government bond funds and 39% in EUR high yield funds[1]. Borrowers, including market makers and hedge funds, benefit from access to securities for hedging, settlement, and active trading strategies, which also supports market liquidity and price efficiency. Securities Lending supported by robust risk management frameworks—including overcollateralisation, daily margining, and borrower indemnification— can enhance investor returns in a risk-controlled way.

Unit lending, a complementary strategy unique to the ETF wrapper, allows investors to lend ETF shares directly, further offsetting costs. In some cases, unit lending has reduced TERs by up to 411%, exceeding the impact of securities lending alone.

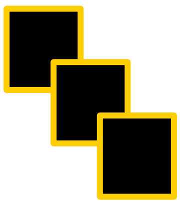
Together, securities and unit lending contribute to market liquidity, efficient pricing, and improved net returns, making them essential components of modern portfolio management.

[1] Source: BlackRock as of 30 June 2025. The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen. Risk management cannot fully eliminate the risk of investment loss.

INTRODUCTION

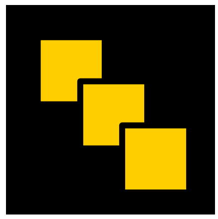
In this paper we will discuss two concepts. The first is **securities lending**, which refers to lending underlying securities—such as bonds or equities—within a segregated mandate, mutual fund, or ETF. The second concept is unique to ETFs and refers to **unit lending**, where investors lend out the ETF shares themselves.

1 Securities lending



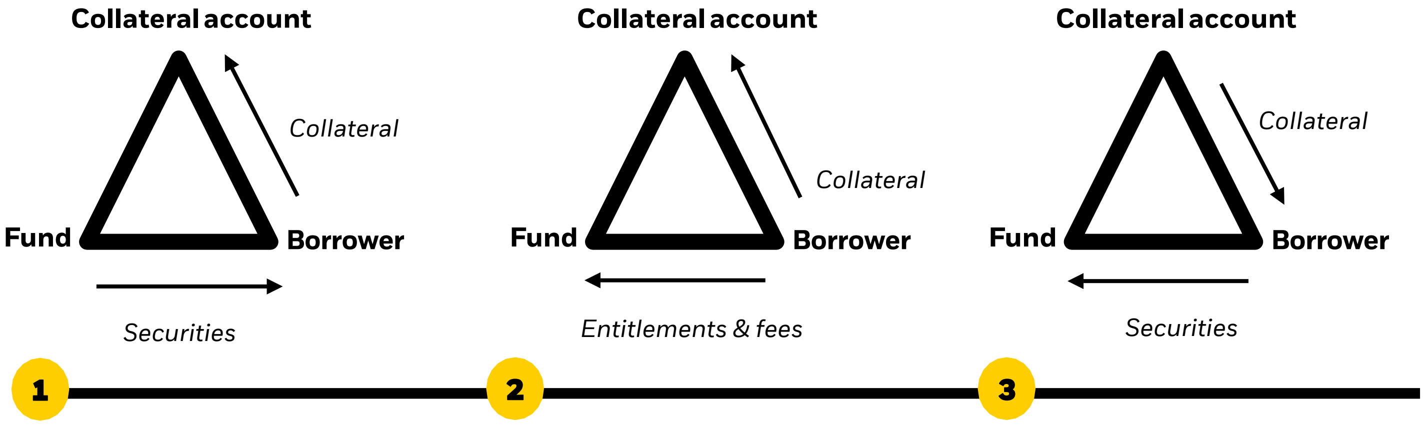
Underlying assets

2 Unit lending



ETF

Securities lending is the temporary transfer of securities—such as bonds or equities—from a lender (typically a fund / investor) to a borrower (usually a financial institution), in exchange for collateral and a fee. The borrower is obligated to return the securities upon request, and the lender retains economic exposure to the securities during the loan period.



Starting the process

A financial institution requests to borrow a security. The fund lends the security via the lending agent who collects collateral.

During the loan

The borrower pays the lending fee and returns any income generated by the security (e.g. coupons or dividends). The collateral is held separately from the fund. The borrower must post additional collateral if required.

To complete the process

The borrower returns the security and receives their collateral back . Loans are typically overnight and can be recalled at any time.

Source: BlackRock. For illustrative purposes only.

Securities lending serves as a tool to generate incremental income without altering the fund's investment strategy. It is relevant in both equities and fixed income portfolios. Fixed income demand in particular has grown due to increasing demand for government and corporate bonds in repurchase (repo) markets, hedging strategies, and collateral transformation. Especially for index fixed income funds, which often hold large, stable inventories of lendable assets, securities lending offers an opportunity to enhance returns and contribute to the efficient functioning of fixed income markets and the ETF ecosystem.

With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

1. BENEFITS OF FIXED INCOME SECURITIES LENDING

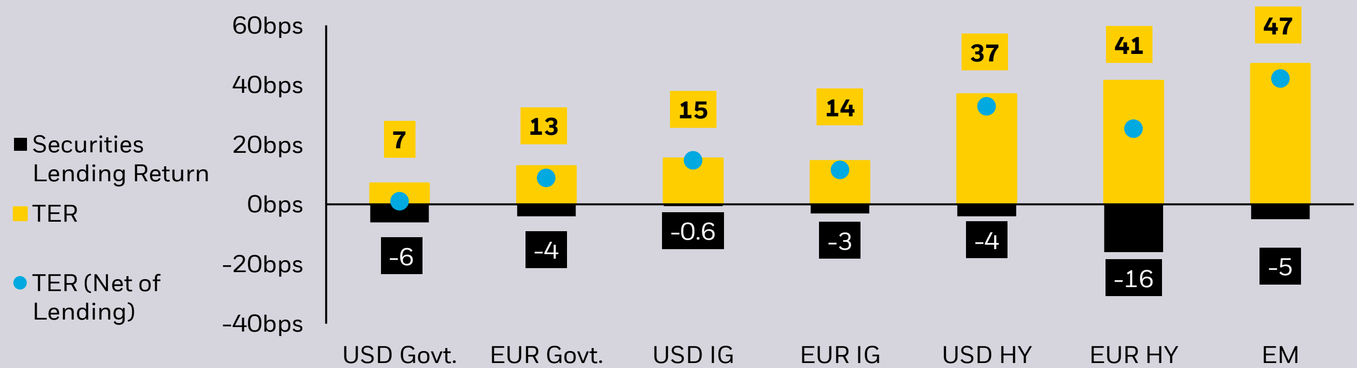
Securities lending offers a compelling value proposition in Fixed Income funds, delivering benefits to lenders, borrowers, and generating broader market efficiencies.

BENEFITS TO LENDERS	BENEFITS TO BORROWERS	
Revenue Generation	Hedging and Managing Risk	Active Portfolio Management
Improved liquidity and Efficient Pricing		

Benefits to lenders: revenue generation

Securities lending could generate incremental income by temporarily lending out securities—such as government or corporate bonds—in exchange for a fee and collateral. In some instances, this income can be significant and can substantially offset the cost of ownership (whether within a segregated mandate or the Total Expense Ratio (TER) of an ETF), therebyimproving net returns for investors.

The figure below shows the scale of benefit of securities lending across different asset class within fixed income – based on the weighted average securities lending returns across iShares Fixed Income UCITS ETFs over a 12-month period and the weighted average TER. Government bond funds often see the largest TER reductions—up to 86% in the case of USD, driven by consistent demand for these securities in repo markets and their role as high-quality collateral. Corporate bond funds also benefit significantly, with EUR High Yield (HY) and EUR Investment Grade (IG) funds achieving a 39% and 11% TER reduction, respectively, thanks to the premium fees these bonds command from borrowers, who value them for their scarcity and credit-specific exposure. These differences reflect how asset characteristics, borrower demand, and fee structures shape the economic contribution of lending—demonstrating that while the scale of impact varies, securities lending consistently added value across fixed income.



	USD Govt.	EUR Govt.	USD IG	EUR IG	USD HY	EUR HY	EM
Weighted Avg. TER	7bps	13bps	15bps	14bps	37bps	41bps	47bps
Weighted Avg. Sec Lending Return	-6bps	-4bps	-0.6bps	2bps	-4bps	-16bps	-5bps
TER (Net of Lending)	1bps	9bps	15bps	16bps	33bps	25bps	42bps
% TER Reduction	**86%**	**31%**	**4%**	**11%**	**11%**	**39%**	**11%**
Average on Loan	70%	40%	2%	12%	5%	31%	17%

Source: BlackRock as of 30 June 2025 Figures are computed as a weighted average of all iShares UCITS ETF within the respective asset class that have participated in securities lending for more than 12 months. The figures shown relate to past performance. Past performance is not a reliable indication of current or future results. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen. The Securities Lending returns are positive numbers that generate additional revenue for the funds. For example, the negative 6 bps for USD Govt represents 6 bps of additional positive fund return and is illustrated here as a reduction or offset to the Fund's expenses.

As shown on the table, the proportion of assets on loan varies across segments. For example, USD government bond funds often lend a larger share of their portfolios (e.g. 60% on average[1]) driven by their role in repo markets and as high-quality collateral. On the other hand, corporate bond funds, especially in the high yield space, typically lend a smaller proportion (e.g. 15% on average[1]) yet still generate substantial income due to their relative scarcity and credit-specific characteristics. This evidences how efficient securities lending can be in generating return.

Crucially, a higher proportion of assets on loan—such as in government bond funds—does not imply higher risk as the same robust risk management framework is applied across all asset classes.

[1]Source: BlackRock as of 31 March 2025. Figures are computed as a weighted average of all iShares UCITS ETF within the respective asset class that have participated in securities lending for more than 12 months. The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen. While the investment approach described herein seeks to control risk, risk cannot be eliminated.

Benefits to borrowers: hedging, managing risk, and active strategies

Understanding the motivations of borrowers is helpful in appreciating the role securities lending plays in financial markets. Borrowers—typically broker-dealers, banks, and hedge funds—access securities for a variety of strategic and operational reasons. These use cases are the primary drivers of demand.

Hedging and Managing Risk

Borrowers often use securities lending to manage risk exposures or fulfil settlement obligations. Common use cases include:

- **Market making and trade settlement**: Market makers may borrow securities to settle trades when they do not yet hold the underlying asset. This ensures timely settlement and supports liquidity in the market.
- **Portfolio hedging*:*** some investors may borrow securities to hedge broader portfolio exposures. For example, borrowing and shorting a corporate bond may offset credit risk elsewhere in the portfolio.

Active Portfolio Management

Borrowing is also used to express directional views on the market—particularly in active strategies.

- **Short selling to reflect market views:** Borrowers may take outright short positions by borrowing securities they believe are overvalued. This allows them to sell the security now and aim to repurchase it later at a lower price. This activity supports price discovery and market efficiency, and it is a key source of demand for harder-to-borrow assets like high yield bonds.

Benefits to wider markets: improved liquidity and efficient pricing

Beyond fund-level economics, securities lending plays a critical role in enhancing market liquidity and reducing trading costs. By enabling short selling, hedging, and arbitrage, it supports efficient price discovery and may narrow bid-ask spreads. This is particularly important in fixed income markets, where liquidity can be fragmented and transaction costs high.

2. HOW SECURITIES LENDING IS DONE: MANAGING RISK

Securities lending is a well-established, highly regulated and tightly controlled activity. While the concept of lending out fund assets may raise questions around borrower default or collateral sufficiency, these risks are managed through a robust, multi-layered risk framework.

Managing Counterparty Risk

One of the most important safeguards in securities lending is the management of counterparty risk—the risk that a borrower fails to return the lent securities. This risk can be mitigated through:

- **Rigorous Borrower Selection**: Lending agents typically conduct in-depth credit assessments at the legal entity level. For example, at BlackRock, our Counterparty Risk Group ("CRG") goes beyond credit ratings to evaluate financial strength, ownership structure, regulatory status, and ESG considerations.
- **Ongoing Monitoring**: Approved borrowers can be monitored on an ongoing basis. At BlackRock the CRG monitors financial disclosures and market alerts on an ongoing basis. Additionally, trading is systematically blocked if a borrower reaches their credit limit.

Managing Collateral Risk

Collateral risk refers to the possibility that the value of the collateral received falls below the replacement cost of the loaned securities in the rare event that a borrower were to default. This risk can be mitigated through conservative and transparent collateral management practices.

- **Collateral Quality Standards**: Only high-quality, liquid assets are accepted as collateral. At Blackrock, these include equity, government bonds, supranational debt, and selected ETFs. BlackRock's Risk and Quantitative Analysis Group ("RQA") sets and regularly reviews these standards.
- **Overcollateralisation:** Collateral is typically required to exceed the value of the loaned securities e.g. at BlackRock, at least 102.5% is required, depending on the asset type lent and the collateral received. The required levels of overcollateralization is also set by RQA.

	Collateral Types and Levels		
Loan Type	***Equities***	***Govt., Supras., and Agency Bonds***	***Cash (not for reinvestment)***
Government Bonds	110% - 112%	102.5% - 106%	102.5% - 105%
Corporate Bonds	110% - 112%	104% - 106%	103.5% - 105%

Source: BlackRock, as of 30/06/2025. For operational reasons, cash collateral (in USD, EUR, GBP) might be accepted, though this happens infrequently. Cash collateral is not reinvested.

- **Daily Margining**: Both loaned securities and collateral are marked to market daily. If the collateral value drops, borrowers must post additional collateral to maintain required margins.
- **Segregation and Control**: Collateral is held in tri-party accounts, separate from BlackRock's, and the custodian's assets and can be liquidated in the event of borrower default.
- **Indemnification**: BlackRock provides borrower default indemnification within its European-domiciled ETFs and mutual funds. In the rare event of borrower default, if the collateral is insufficient to repurchase the loaned security, BlackRock covers the shortfall at no additional cost to the investor. It is worth noting that it has never been necessary to call on this indemnification to date - further evidence that fixed income securities lending can be executed in a risk-controlled manner.

While the investment approach described herein seeks to control risk, risk cannot be eliminated. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

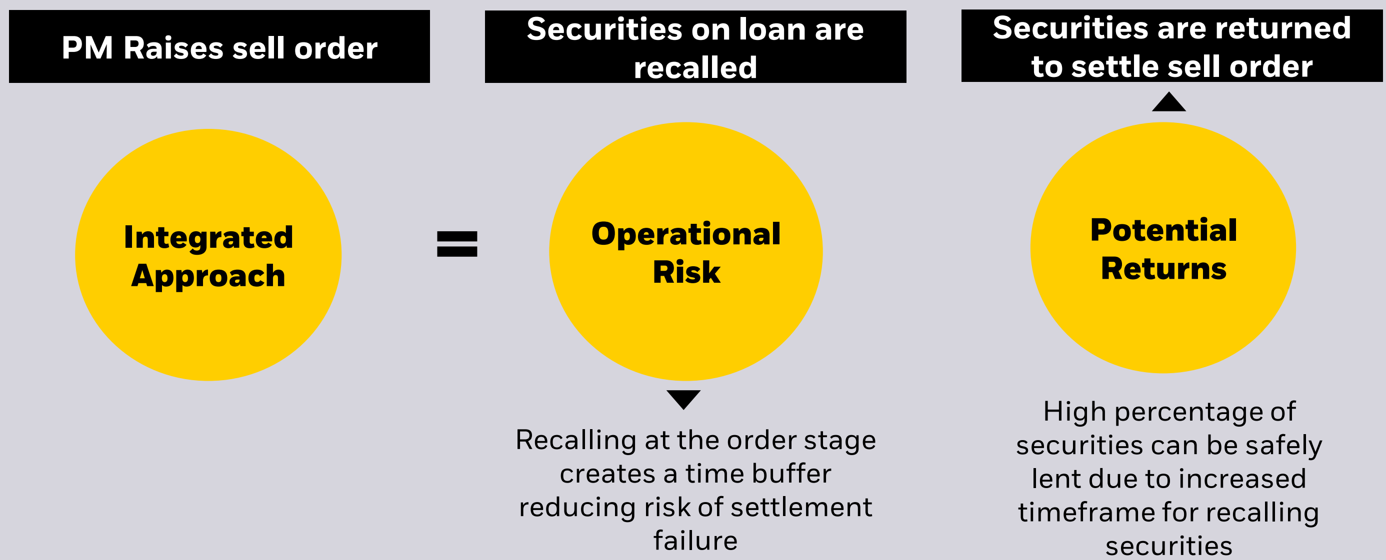
3. OPERATIONAL INTEGRATION AND TECHNOLOGY IN SECURITIES LENDING

Effective securities lending requires coordination across investment, trading, and risk management functions. Integration across investment and trading functions helps ensure that lending activity complements broader fund objectives and operates within a controlled framework.

Integration with Portfolio Management

When securities lending is operationally integrated with portfolio management, it functions as a coordinated extension of the investment process. This setup enables:

- **Real-Time Recall at Order Stage**: When a portfolio manager initiates a sell order in Aladdin, the system automatically triggers a recall of the loaned security. This reduces settlement risk and ensures alignment between investment and lending activities.
- **Operational Efficiency**: This integration supports readiness for regulatory changes such as the transition to T+1 settlement cycles in the UK and Europe and minimises disruption to trading workflows.



Source: BlackRock, as of 30/06/2025. For illustrative purposes only.

Technology and Analytics

Technology plays a central role in managing lending operations efficiently and transparently.

- **360-Degree Technology Platform:** A comprehensive technology platform can provide full visibility across lending, trading, and risk functions. This enables automated processing for standard-fee loans and supports more tailored execution for complex transactions. Such systems help streamline operations, improve oversight, and support consistent application of risk controls across the lending process.
- **Advanced Analytics:** Advanced analytics, including AI and data science tools, can be used to monitor market conditions, assess borrower demand, and optimise lending strategies.

Essentially, while securities lending involves inherent risks, these can be effectively managed through a combination of conservative risk practices, technological integration, and operational transparency.

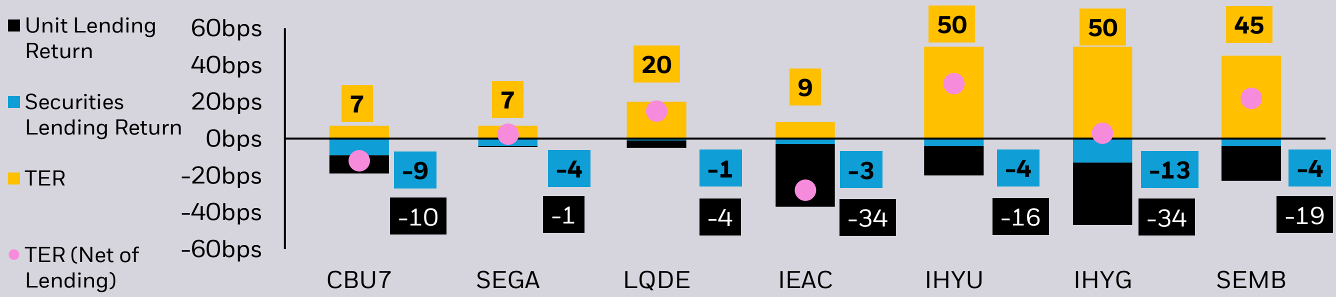
While proprietary technology platforms may help manage risk, risk cannot be eliminated. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

4. UNIT LENDING

Unit lending – which involves lending out ETF units themselves typically via a custodian or third-party agent, is gaining popularity as an additional way to enhance portfolio efficiency on top of lending the underlying securities within the ETF.

Benefits to lenders: revenue generation

Pairing unit and securities lending together can have a significant impact on reducing the Total Expense Ratio (TER) of an ETF. For many unit holders of our UCITS-listed funds, unit lending has delivered notable offsets in TER. For example, in EUR HY, the TER has been offset by 94%. The trend is consistent across various asset classes, as illustrated in the table below.



	CBU7 (USD Govt.)	SEGA (EUR Govt.)	LQDE (USD IG)	IEAC (EUR IG)	IHYU (USD HY)	IHYG (EUR HY)	SEMB (USD EM)
TER	7bps	7bps	20bps	9bps	50bps	50bps	45bps
Sec Lending Return	-9bps	-4bps	-1bps	-3bps	-4bps	-13bps	-4bps
Unit Lending Return	-10bps	-0.5bps	-4bps	-34bps	-16bps	-34bps	-19bps
TER (Net of Lending)	-12bps	3bps	15bps	-28bps	30bps	3bps	22bps
% TER Reduction	**271%**	**64%**	**25%**	**411%**	**40%**	**94%**	**51%**

Source: BlackRock, IHS Markit, as of 30 June 2025. Figures are provided for flagship iShares UCITS ETFs: iShares $ Treasury Bond 3-7yr UCITS ETF (CBU7), iShares Core € Govt Bond UCITS ETF (SEGA), iShares $ Corp Bond UCITS ETF (LQDE), iShares Core € Corp Bond UCITS ETF (IEAC), iShares $ High Yield Corp Bond UCITS ETF (IHYU), iShares € High Yield Corp Bond UCITS ETF (IHYG), iShares J.P. Morgan $ EM Bond UCITS ETF (SEMB). The figures shown relate to past performance. Past performance is not a reliable indication of current or future results. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen. . The Securities Lending returns are positive numbers that generate additional revenue for the funds. For example, the negative 6 bps for USD Govt represents 6 bps of additional positive fund return and is illustrated here as a reduction or offset to the Fund's expenses.

Benefits to borrowers: hedging, managing risk, and active strategies

The benefits of ETF unit lending for borrowers mirror those of lending the underlying securities. Borrowers—including market makers, asset managers, and hedge funds—use ETF units to support short selling, hedge portfolio exposures, manage settlement obligations, and facilitate derivatives strategies such as writing put and call options. Notably, in the Fixed Income space borrow demand tends to concentrate in ETFs that are highly liquid, track broad indices, or are widely used in derivatives markets. These characteristics make them attractive for both hedging and trading strategies, reinforcing their central role in portfolio management.

How unit lending is done: managing risk

Similar to lending the underlying securities, unit lending is supported by a robust risk management framework designed to protect investors and ensure operational integrity. Lending is facilitated by a lending agent, often a Custodian or Broker, and is conducted with well-regulated, unaffiliated counterparties. Transactions are overcollateralised—typically using high-quality assets and some lending agents also provide indemnification against borrower default, covering shortfalls if collateral proves insufficient. Additionally, lent ETF units can be recalled at any time, allowing investors to respond quickly to changing market conditions. These safeguards ensure that unit lending remains a risk-controlled and effective strategy for enhancing portfolio efficiency.

While the investment approach described herein seeks to control risk, risk cannot be eliminated. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

CONCLUSION

Securities lending (whether in-house, via your custodian or through a third-party lending agent) has long been a quiet engine of portfolio efficiency—generating incremental income by lending out underlying assets in ETFs / funds.

When embedded within the fund, it can deliver substantial cost savings to the lender (i.e. the fund investor). But the opportunity doesn't stop there. ETF unit lending offers an additional, investor-driven layer of value, which allows investors to lend their ETF units. When used together, they can unlock dual revenue streams that directly benefit the investor.

Within iShares fixed income ETFs, securities lending alone has delivered TER reductions of up to 51%, and adding unit lending has pushed those savings even further—up to 82% in some categories - and at certain points historically have more than offset the TER, delivering a total return premium.

Both strategies can operate within robust risk frameworks, including borrower selection and monitoring, overcollateralisation, daily margining, and indemnification – which has never been triggered since the start of BlackRock's program - ensuring that cost savings do not come with excessive risk.

In short, not participating in lending—whether the underlying securities within a fund or ETF units— could mean leaving value untapped.

The figures shown relate to past performance. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. While the investment approach described herein seeks to control risk, risk cannot be eliminated. With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

This document is marketing material. Before investing please read the Prospectus and the PRIIPs KID available on www.ishares.com/it, which contain a summary of investors' rights.

Risk Warnings

Investors should refer to the prospectus or offering documentation for the funds full list of risks.

Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. Investors may not get back the amount originally invested.

Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy.

Changes in the rates of exchange between currencies may cause the value of investments to diminish or increase. Fluctuation may be particularly marked in the case of a higher volatility fund and the value of an investment may fall suddenly and substantially. Levels and basis of taxation may change from time to time and depend on personal individual circumstances.

BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. The data displayed provides summary information. Investment should be made on the basis of the relevant Prospectus which is available from the manager.

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With securities lending there is a risk of loss should the borrower default before the securities are returned, and due to market movements, the value of collateral held has fallen and/or the value of the securities on loan has risen.

Product Risks

iShares $ Corp Bond UCITS ETF USD (Dist)
Counterparty Risk, Credit Bail in Risk, Liquidity Risk

iShares $ High Yield Corp Bond UCITS ETF USD (Dist)
Counterparty Risk, Credit risk, Liquidity Risk

iShares $ Treasury Bond 3-7yr UCITS ETF USD (Dist)
Concentration Risk, Counterparty Risk, Credit risk, Liquidity Risk

iShares € High Yield Corp Bond UCITS ETF
Combined Credit and non-investment Grade Risk, Counterparty Risk, Credit risk, Liquidity Risk

iShares Core € Corp Bond UCITS ETF EUR (Dist)
Counterparty Risk, Credit Bail in Risk, Liquidity Risk

iShares Core € Govt Bond UCITS ETF EUR (Dist)
Counterparty Risk, Credit Bail in Risk, Liquidity Risk

iShares J.P. Morgan $ EM Bond UCITS ETF USD (Dist)
Counterparty Risk, Credit risk, Currency Risk, Emerging Markets Risk, Liquidity Risk

Description of Product Risks

Counterparty Risk

The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Share Class to financial loss.

Credit Bail in Risk

The issuer of a financial asset held within the Fund may not pay income or repay capital to the Fund when due.If a financial institution is unable to meet its financial obligations, its financial assets may be subject to a write down in value or converted (i.e. “bail-in”) by relevant authorities to rescue the institution.

Liquidity Risk

The Fund’s investments may have low liquidity which often causes the value of these investments to be less predictable. In extreme cases, the Fund may not be able to realise the investment at the latest market price or at a price considered fair.

Credit risk

Credit risk, changes to interest rates and/or issuer defaults will have a significant impact on the performance of fixed income securities. Potential or actual credit rating downgrades may increase the level of risk.

Concentration Risk

Investment risk is concentrated in specific sectors, countries, currencies or companies. This means the Fund is more sensitive to any localised economic, market, political or regulatory events.

Combined Credit and non-investment Grade Risk

Changes to interest rates, credit risk and/or issuer defaults will have a significant impact on the performance of fixed income securities. Non-investment grade fixed income securities can be more sensitive to changes in these risks than higher rated fixed income securities. Potential or actual credit rating downgrades may increase the level of perceived risk.

Currency Risk

The Fund invests in other currencies. Changes in exchange rates will therefore affect the value of the investment.

Emerging Markets Risk

Emerging markets are generally more sensitive to economic and political conditions than developed markets. Other factors include greater 'Liquidity Risk', restrictions on investment or transfer of assets, failed/delayed delivery of securities or payments to the Fund and sustainability-related risks.

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UCITS HAVE NO GUARANTEED RETURN AND PAST PERFORMANCE DOES NOT GUARANTEE THE FUTURE ONES

Further information about the Fund and the Share Class, such as details of the key underlying investments of the Share Class and share prices, is available on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser. The indicative intra-day net asset value of the Share Class is available at http://deutsche-boerse.com and/or http://www.reuters.com. A UCITS ETF's units / shares that have been acquired on the secondary market cannot usually be sold directly back to the UCITS ETF itself. Investors who are not Authorised Participants must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees and additional taxes in doing so. In addition, as the market price at which the Shares are traded on the secondary market may differ from the Net Asset Value per Share, investors may pay more than the then current Net Asset Value per Share when buying shares and may receive less than the current Net Asset Value per Share when selling them.

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For investors in Belgium

Some of the funds mentioned in this document are not registered for public distribution in Belgium. Unless indicated otherwise, any decision to invest must be based solely on the information contained in the Company's Prospectus, the Packaged Retail and Insurance-based Investment Products Key Information Document (PRIIPs KID) and the latest half-yearly report and unaudited accounts and/or annual report and audited accounts copies of which can be obtained free of charge from www.blackrock.com/be in English, Dutch and French. Investors should read the fund specific risks in the Packaged Retail and Insurance-based Investment Products Key Information Document (PRIIPs KID) and the Company's Prospectus. Summary of Belgian tax information for private investors: the tax on stock exchange transactions (TSET) is due on every sale and purchase on the secondary market, concluded or executed in Belgium: 0.12% (max. 1.300 EUR per transaction) for distributing shares and 1,32%(max. 4.000 EUR per transaction) for accumulating shares. Dividends received from distributing iShares ETF are subject to the Belgian withholding tax of 30%. For iShares ETFs investing directly or indirectly more than 25 % in interest-bearing assets (no taxation should occur for funds investing less than 25% directly or indirectly in interest-bearing assets for holdings bought prior to 1 January 2018 and sold after this date,). For new holdings bought from 1 January 2018 investing directly or indirectly the rate is now more than 10% in interest-bearing assets. A 30 % tax applies (again, via a withholding or assessment notice) on the part of the amount corresponding to the so-called 'interest component' received (i.e. all the income deriving directly or indirectly, in the form of interest, capital gains or losses, from the return on assets invested in the debts), to the extent that this interest component relates to the period during which the beneficiary has held the shares. For information on investor rights and how to raise complaints please go to https://www.blackrock.com/corporate/compliance/investor-right available in English.

For investors in Italy

Any application for shares in the funds is on the terms of the Prospectus for the Companies. The Shares of certain sub-funds in the Companies have been admitted to listing in Italy and are currently listed on the Mercato Telematico Fondi of Borsa Italiana S.p.A. The list of the sub-funds listed in Italy, the Prospectus, of the Companies, the Documento di quotazione of the iShares funds, the latest annual and semi annual report of the Companies are published (i) on the Companies' internet website at the address www.iShares.com and are available in Italian and English (ii) on Borsa Italiana S.p.A's website at the address www.borsaitalia.it. These documents are available for the public in Italian version with certification that such documents are a faithful translation of the original documents. Investors are entitled to receive free of charge, even at home, a copy of the above documents, upon written request forwarded to the Companies. For comprehensive information on the expenses charged to a fund and fees applicable to investors, see the Documento di quotazione and the Prospectus. Any decision to invest must be based solely on the information contained in the Company’s Prospectus, the Packaged Retail and Insurance-based Investment Products Key Information Document (PRIIPs KID) and the latest half-yearly report and unaudited accounts and/or annual report and audited accounts. Investors should read the fund specific risks in the Packaged Retail and Insurance-based Investment Products Key Information Document (PRIIPs KID) and the Company’s Prospectus. Further information about the Fund and the Share Class, such as details of the key underlying investments of the Share Class and share prices, is available on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser. The indicative intra-day net asset value of the Share Class is available at http://deutsche-boerse.com and/or http://www.reuters.com. Investors who are not Authorised Participants must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees and additional taxes in doing so. In addition, as the market price at which the Shares are traded on the secondary market may differ from the Net Asset Value per Share, investors may pay more than the then current Net Asset Value per Share when buying shares and may receive less than the current Net Asset Value per Share when selling them. For information on investor rights and how to raise complaints please go to https://www.blackrock.com/corporate/compliance/investor-right available in Italian.

For investors in Spain

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For investors in Switzerland

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Restricted Investors

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