BlackRock

Sustainability-related Website Disclosure

Coutts North America Insights Equity Fund

Effective Date: 03 April 2024

This website disclosure provides sustainability-related information about the Fund pursuant to Article 10. of the EU Sustainable Finance Disclosure Regulation (EU) 2019/2088 ("SFDR").

A. Summary

The Fund promotes environmental or social characteristics, but does not have as its objective sustainable investment. The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio. The Fund seeks to: (i) promote climate change mitigation by reducing the greenhouse gas emissions intensity of the portfolio; and (ii) apply a set of exclusionary screens.

The investment objective of the Fund is to provide a total return, taking into account both capital and income returns, while seeking to maximise the opportunities and minimise the potential risks associated with certain ESG themes and considerations. In order to achieve this investment objective, the Fund will invest in the equity securities or equity related securities of companies within the Benchmark Index. The binding elements of the investment strategy are as follows: (1) the Fund will invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of the Benchmark Index. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities): • issuers with any ties to certain types of controversial weapons including cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons; • issuers involved in the manufacture of nuclear weapons, their components and supporting services providers; • issuers engaged, above certain revenue thresholds, in the mining of thermal coal and its sale to external parties or the generation of power from thermal coal; • issuers engaged, above certain revenue thresholds, in the extraction of oil sands or the production of Arctic oil or Arctic gas; • is issuers that manufacture tobacco products or are otherwise engaged, above certain revenue thresholds, in tobacco-related business activities; • issuers engaged, above certain revenue thresholds, in gambling-related business activities; • issuers engaged, above certain revenue thresholds, in adult entertainment; • issuers engaged, above certain revenue thresholds, in predatory lending activites; • issuers engaged, above certain revenue thresholds, in activities relating to unconventional oil and gas (such as shale gas); • issuers which are deemed not to be in compliance with the United Nations Global Compact Principles, the United Nations Guiding Principles for Business and Human Rights, the International Labour Organisation's Fundamental Principles or the International Labour Organisation's broader set of labour standards; and • issuers that manufacture firearms and small arms ammunition for civilian markets or are otherwise engaged, above certain revenue thresholds, in the distribution of firearms or small arms ammunition intended for civilian use. ; (2) Maintain a portfolio with a higher weighted average exposure (relative to the Benchmark Index) to corporate issuers with higher ESG Scores (relative to other corporate issuers in the same or similar industries). The Fund uses the Methodology to assess ESG considerations as determined by the Investment Manager to be material. The Methodology uses a variety of data inputs (generated by the Investment Manager, its affiliates and/or one or more external research providers) to evaluate and score corporate issuers, based on the following categories: • 'environmental considerations', which aims to measure a corporate issuers' core business involvement with energy production, clean technology activities and natural resources management, all of which are relevant to assess transition risks and opportunities associated with a low carbon economy; • 'social issues', which aims to measure how a corporate issuer interacts with both internal and external stakeholders; and • 'governance', which aims to measure how a corporate issuer's corporate governance structures and behaviours make it better positioned to adapt to

technological, social, environmental and regulatory change . The Fund considers PAIs on sustainability factors through the application of its carbon reduction target and its exclusionary policy.

A minimum of 85% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics.The Fund may invest up to 15% of its total assets in other investments.The Fund does not currently commit to invest more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activates that comply with the EU Taxonomy.

BlackRock has developed a highly automated compliance process to help ensure that the Fund is managed in accordance with its stated investment guidelines and applicable regulatory requirements. This includes monitoring of the environmental or social characteristics of the Fund in accordance with the relevant methodology. BlackRock uses a number of methodologies to measure how the social or environmental characteristics promoted by the Fund are met.

BlackRock continues to monitor developments in the EU's ongoing implementation of its framework for sustainable investing and its investment methodologies seeking to ensure alignment as the regulatory environment changes. ESG data sets are constantly changing and improving as disclosure standards, regulatory frameworks and industry practice evolve. BlackRock continues to work with a broad range of market participants to improve data quality. Sustainable investing and understanding of sustainability is also evolving along with the data environment. Industry participants face challenges in identifying a single metric or set of standardized metrics to provide a complete view on a company or an investment. BlackRock has therefore established a framework to identify sustainable investments.

BlackRock applies a high standard of due diligence in the selection and ongoing monitoring of investments made by the Fund for the purpose of compliance with the investment, liquidity and risk guidelines of the Fund, as well as the sustainability risk and ESG criteria and general performance.

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Engagement with companies in which we invest our clients' assets occurs at multiple levels within BlackRock. Where investment teams chooses to leverage engagement, this can take a variety of forms but, in essence, the portfolio management team would seek to have regular and continuing dialogue with executives or board directors of engaged investee companies to advance sound governance and sustainable business practices targeted at the identified ESG characteristics and principal adverse indicators, as well as to understand the effectiveness of the company's management and oversight of activities designed to address the identified ESG issues. Engagement also allows the portfolio management team to provide feedback on company practices and disclosures.

There is no specific index designated as a reference benchmark to determine whether this Fund is aligned with the environmental and/or social characteristics that it promotes.

B. No sustainable investment objective

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to 'Section D - Investment Strategy', which describes how the Fund considers PAI on sustainability factors.

C. Environmental or social characteristics of the financial product

Greenhouse gas emissions are categorised into three groups or 'scopes' by the most widely-used international accounting tool, the Greenhouse Gas (GHG) Protocol. Scope 1 covers direct emissions from owned or controlled sources. Scope 2 covers indirect emissions from the generation of purchased electricity, steam, heating and cooling consumed by the reporting issuer. Scope 3 includes all other indirect emissions that occur in an issuer's value chain. The Fund seeks to have a lower greenhouse gas emissions intensity of the portfolio relative to benchmark and reducing year on year, which is the estimated greenhouse gas (Scope 1 and Scope 2) emissions based on the sales across the Fund's holdings. For the avoidance of doubt, Scope 3 is not currently considered for this calculation.

The Fund seeks to promote the following environmental and social characteristics by investing in the constituents of the MSCI North America ESG Screened Select Index (the "Benchmark Index") at each index rebalance.

The Benchmark Index excludes issuers from the MSCI North America Index (the "Parent Index") based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

1. Issuers with ties to certain types of controversial weapons;
2. Issuers involved in the manufacture or assembly of nuclear weapons;
3. Issuers engaged in the mining of thermal coal and its sale to external parties or generation of power from thermal coal;
4. Issuers engaged in the extraction of oil sands or the production of Arctic oil;
5. Issuers with ties to the production, distribution, retail, supply and licensing of tobacco-related products;
6. Issuers engaged in gambling-related activities;
7. Issuers engaged in adult entertainment;
8. Issuers engaged in predatory lending activities;
9. Issuers with ties to activities related to unconventional oil and gas;
10. Issuers that are not in compliance with the United Nations Global Compact principles; and

11. issuers classified as producers and/or distributors of firearms or small arms ammunition for the civilian market.

The Fund uses the BlackRock Sustainable Investing Intelligence framework (the "Methodology") to assess environmental social and governance ("ESG") considerations as determined by the Investment Manager to be material. The Methodology uses a variety of data inputs (generated by the Investment Manager, its affiliates and/or one or more external research providers) to evaluate and score companies, based on the following categories:

1. 'environmental considerations', which aims to measure a company's core business involvement with energy production, clean technology activities and natural resources management, all of which are relevant to assess transition risks and opportunities associated with a low carbon economy;
2. 'social issues', which aims to measure how a company interacts with both internal and external stakeholders; and
3. 'governance', which aims to measure how a company's corporate governance structures and behaviours make it better positioned to adapt to technological, social, environmental and regulatory change.

The Investment Manager combines a company's scores in each of these categories based on a materiality weighting assessment (placing greater weight on factors that are determined by the Investment Manager to have greater relevance to the industry of each underlying company) to create one overall score (the "Methodology Score") for each company.

The Investment Manager will seek to create a portfolio with a higher weighted average exposure (relative to the Benchmark Index) to companies with higher Methodology Scores (relative to other companies in the same or similar industries), while also seeking to maintain a return profile which, in ordinary circumstances, is broadly similar to the return profile of the Benchmark Index and a risk profile which is broadly similar to the risk profile of the Benchmark Index (i.e. primarily by seeking to maintain, where possible, similar (as determined by the Investment Manager) stock and industry weightings in the portfolio compared to the Benchmark Index). The intention to maintain a return profile and a risk profile as outlined above may, at times, limit the Fund's exposure to certain companies with higher Methodology Scores and/or increase the Fund's exposure to certain companies with lower Methodology Scores.

For the purposes of applying the Methodology the Investment Manager may use data generated internally by the Investment Manager and/or its affiliates or provided by one or more external ESG research providers. The Methodology used by the Investment Manager may evolve and advance over time.

D. Investment strategy

The investment objective of the Fund is to provide a total return, taking into account both capital and income returns, while seeking to maximise the opportunities and minimise the potential risks associated with certain ESG themes and considerations.

In order to achieve this investment objective, the Fund will invest in the equity securities or equity related securities of companies within the Benchmark Index.

The Fund will apply exclusionary screens that will be built into the bespoke benchmark and the Methodology to identify, evaluate and score the remaining companies within the Benchmark Index based on how well-positioned they are to maximise the opportunities and minimise the potential risks associated with ESG themes and considerations.

In addition to the above, the InvestmentManager seeks to achieve a decarbonisation of the Fund's portfolio that broadly follows the goals of the Paris Climate Agreement through 1) a lower portfolio carbon emission intensity for the Fund relative to the Parent Index at launch, and 2) a year on year reduction in the carbon emissions intensity of the Fund's portfolio. However, there is no guarantee that these aims will be met, and the actual exposure of the Fund's portfolio may vary. Carbon emission intensity is a measure of a company's carbon emissions relative to its annual sales.

The binding elements of the investment strategy are as follows:

(i) The Fund will invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics of the Benchmark Index. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- Issuers with any ties to certain types of controversial weapons including cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons;
- Issuers involved in the manufacture of nuclear weapons, their components and supporting services providers;
- Issuers engaged, above certain revenue thresholds, in the mining of thermal coal and its sale to external parties or the generation of power from thermal coal;
- Issuers engaged, above certain revenue thresholds, in the extraction of oil sands or the production of Arctic oil or Arctic gas;
- Is issuers that manufacture tobacco products or are otherwise engaged, above certain revenue thresholds, in tobacco-related business activities;
- Issuers engaged, above certain revenue thresholds, in gambling-related business activities;
- Issuers engaged, above certain revenue thresholds, in adult entertainment;
- Issuers engaged, above certain revenue thresholds, in predatory lending activites;
- Issuers engaged, above certain revenue thresholds, in activities relating to unconventional oil and gas (such as shale gas);
- Issuers which are deemed not to be in compliance with the United Nations Global Compact Principles, the United Nations Guiding Principles for Business and Human Rights, the International Labour Organisation's Fundamental Principles or the International Labour Organisation's broader set of labour standards; and
- Issuers that manufacture firearms and small arms ammunition for civilian markets or are otherwise engaged, above certain revenue thresholds, in the distribution of firearms or small arms ammunition intended for civilian use.

(ii) Maintain a portfolio with a higher weighted average exposure (relative to the Benchmark Index) to corporate issuers with higher ESG Scores (relative to other corporate issuers in the same or similar industries). The Fund uses the Methodology to assess ESG considerations as determined by the Investment Manager to be material. The Methodology uses a variety of data inputs (generated by

the Investment Manager, its affiliates and/or one or more external research providers) to evaluate and score corporate issuers, based on the following categories:

- 'environmental considerations', which aims to measure a corporate issuers' core business involvement with energy production, clean technology activities and natural resources management, all of which are relevant to assess transition risks and opportunities associated with a low carbon economy;
- 'social issues', which aims to measure how a corporate issuer interacts with both internal and external stakeholders; and
- 'governance', which aims to measure how a corporate issuer's corporate governance structures and behaviours make it better positioned to adapt to technological, social, environmental and regulatory change.

The Investment Manager combines a corporate issuer's scores in each of these categories based on a materiality weighting assessment (placing greater weight on factors that are determined by the Investment Manager to have greater relevance to the industry of each underlying corporate issuer) to create one overall score (the "Methodology Score") for each corporate issuer.

The Investment Manager will seek to create a portfolio with a higher weighted average exposure (relative to the Benchmark Index) to corporate issuers with higher Methodology Scores (relative to other corporate issuers in the same or similar industries), while also seeking to maintain a return profile which, in ordinary circumstances, is broadly similar to the return profile of the Benchmark Index and a risk profile which is broadly similar to the risk profile of the Benchmark Index (i.e. primarily by seeking to maintain, where possible, similar (as determined by the Investment Manager) bond, industry and geographic weightings in the portfolio compared to the Benchmark Index). The intention to maintain a return profile and a risk profile as outlined above may, at times, limit the Fund's exposure to certain corporate issuers with higher Methodology Scores and/or increase the Fund's exposure to certain corporate issuers with lower Methodology Scores.

For the purposes of applying the Methodology the Investment Manager may use data generated internally by the Investment Manager and/or its affiliates or provided by one or more external ESG research providers. The Methodology used by the Investment Manager may evolve and advance over time.

Consideration of principal adverse impacts on sustainability factors

The Fund considers PAIs on sustainability factors through the application of its carbon reduction target and its exclusionary policy.

The Fund takes into account the following PAIs:

- GHG emissions.
- Carbon footprint.
- GHG intensity of investee companies.
- Exposure to companies active in the fossil fuel sector.

- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

Good governance policy

BlackRock assesses good governance practices of the investee companies by combining proprietary insights and shareholder engagement by the Investment Manager, with data from external ESG research providers. BlackRock uses data from external ESG research providers to initially identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Manager agrees with this external assessment, the Investment Manager is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Manager's direct engagement with the issuer. The Investment Manager may also decide to reduce exposure to such issuers.

E. Proportion of Investments

A minimum of 85% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics.

The Fund may invest up to 15% of its total assets in other investments.

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

The Fund does not currently commit to invest more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activates that comply with the EU Taxonomy.

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

Other holdings are limited to 15% and may include derivatives, cash and near cash instruments.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.

F. Monitoring of environmental or social characteristics

BlackRock has developed a highly automated compliance process to help ensure that the Fund is managed in accordance with its stated investment guidelines and applicable regulatory requirements. This includes monitoring of the environmental or social characteristics of the Fund in accordance with the relevant methodology as described in 'Section G – Methodologies'.

Portfolio Managers have the primary responsibility for complying with the contractual terms of the prospectus and other governing documents for the Fund and are supported by Aladdin, BlackRock's portfolio and risk management software.

The Portfolio Compliance Group ("PCG"), a group within BlackRock's Business Operations, is responsible for the coding of the Fund's investment restrictions, that are capable of being coded, within BlackRock's pre and post trade compliance monitoring system in Aladdin. Where an investment restriction cannot be coded, a manual process is established for guidelines testing.

Pre-Trade & Post Trade Monitoring

When a trade or order is created, the transaction is reviewed against the Fund's investment guidelines by the front-end compliance system on a real time basis prior to execution. If a non-compliant condition is detected, the trade or order will be unable to progress further.

Compliance tests are also run on a post trade basis overnight based on the end-of-day positions and reported on a T+1 basis. Compliance exceptions and warnings are identified and escalated for investigation to relevant investment professionals, who will engage with relevant subject matter experts as appropriate to resolve. Identification and investigation of potential items is recorded on an electronic system that contains a comprehensive workflow which provides an audit trail. Appropriate corrective action will be taken as needed to resolve exceptions.

Breaches are reported as required under our regulatory obligations to the revelant management company, auditor, depositary and regulator.

The monitoring of certain ESG characteristics may not be able to be automated due to system functionality or data limitations. Such ESG characteristics are subject to periodic review and monitoring, to ensure that the product adheres to the related commitments.

Where BlackRock delegates part of the management of a Fund to a third-party manager, the third-party manager is responsible for ensuring compliance with the investment guidelines and investment restrictions as per the agreed Investment Manage Agreement in place, including those pertaining to the environmental or social characteristics for the Fund. The investment restrictions pertaining to the environmental or social characteristics are generally communicated to the third-party manager which may updated by BlackRock from time to time in line with the environmental and social characteristics of the Fund. When the third-party manager runs a passive strategy, the third-party manager may also monitor whether the environmental or social characteristics are met by tracking a benchmark index embedding these characteristics in its methodology. BlackRock receives a daily feed of the positions held by the third-

party manager and runs post-trade compliance checks in accordance with the back-end compliance process previously described. BlackRock also undertakes periodic due diligence on third party manager to ensure the monitoring frameworks in place remain appropriate.

G. Methodologies

BlackRock has adopted the following methodologies in respect of this Fund:

1. The Fund measures the greenhouse gas emissions intensity of the portfolio. Further details on the methodology for calculating greenhouse gas emissions intensity are set out in 'Section C – Environmental or social characteristics' above.
2. The Fund applies a set of exclusionary screens. Further details on the methodology of the exclusionary screens are set out in 'Section C – Environmental or social characteristics' above.

H. Data sources and processing

Data Sources

BlackRock Portfolio Managers have access to research, data, tools, and analytics to integrate ESG insights into their investment process. Aladdin is the operating system that connects the data, people, and technology necessary to manage portfolios in real time, as well as the engine behind BlackRock's ESG analytics and reporting capabilities. BlackRock's Portfolio Managers use Aladdin to make investment decisions, monitor portfolios and to access material ESG insights that can inform the investment process to attain ESG characteristics of the Fund.

ESG datasets are sourced from external third-party data providers, including but not limited to MSCI, Sustainalytics, Refinitiv, S&P and Clarity AI. These datasets may include headline ESG scores, carbon emissions data, business involvement metrics or controversies and have been incorporated into Aladdin tools that are available to Portfolio Managers and employed in BlackRock investment strategies. Such tools support the full investment process, from research, to portfolio construction and modelling, to reporting.

Measures taken to ensure Data Quality

BlackRock applies a comprehensive due diligence process to evaluate provider offerings with highly targeted methodology reviews and coverage assessments based on the sustainable investment strategy (and the environmental and social characteristics or sustainable objective) of the product. Our process entails both qualitative and quantitative analysis to assess the suitability of data products in line with regulatory standards as applicable.

We assess ESG providers and data across five core areas outlined below:

1. Data Collection: this includes but is not limited to assessing the data providers underlying data sources, technology used to capture data, process to identify misinformation and use of machine learning or human data collection approaches. We will also consider planned improvements.
2. Data Coverage: our assessment includes but is not limited to the extent to which a data package provides coverage across our investible universe of issuers and asset classes. This will include

consideration of the treatment of parent companies and their subsidiaries as well as use of estimated data or reported data.

3. Methodology: our assessment includes but is not limited to consideration of the third-party providers methodologies employed, including considering the collection and calculation approaches, alignment to industry or regulatory standards or frameworks, materiality thresholds and their approach to data gaps.
4. Data Verification: our assessment includes but is not limited to the third party providers' approaches to verification of data collected and quality assurance processes including their engagement with issuers.
5. Operations: we assess a variety of aspects of a data vendors operations, including but not limited to their policies and procedures (including consideration of any conflicts of interest) the size and experience of their data research teams, their training programs, and their use of third-party outsourcers.

Additionally, BlackRock, actively participates in relevant provider consultations regarding proposed changes to methodologies as they pertain to third party data sets or index methodologies and submits considered feedback and recommendations to data provider technical teams. BlackRock often has ongoing engagement with ESG data providers including index providers to keep abreast of industry developments.

Describe how data is processed

At BlackRock, our internal processes are focused on delivering high-quality standardized and consistent data to be used by investment professionals and for transparency and reporting purposes. Data, including ESG data, received through our existing interfaces, and then processed through a series of quality control and completeness checks which seeks to ensure that data is of a high-quality before being made available for use downstream within BlackRock systems and applications, such as Aladdin. BlackRock's integrated technology enables us to compile data about issuers and investments across a variety of environmental, social and governance metrics and a variety of data providers and make those available to investment teams and other support and control functions such as risk management.

Use of Estimated Data

BlackRock strives to capture as much reported data from companies via 3rd party data providers as practicable, however, industry standards around disclosure frameworks are still evolving, particularly with respect to forward looking indicators. As a result, in certain cases we rely on estimated or proxy measures from data providers to cover our broad investible universe of issuers. Due to current challenges in the data landscape, while BlackRock relies on material amount of estimated data across our investible universe, the levels of which may vary from data set to data set, we seek to ensure that use of estimates is in line with regulatory guidance and that we have necessary documentation and transparency from data providers on their methodologies. BlackRock recognizes the importance in improving its data quality and data coverage and continues to evolve the data sets available to its investment professionals and other teams. Where required by local country-level regulations, funds may state explicit data coverage levels.

I. Limitations to methodologies and data

Limitations to Methodology

Sustainable investing is an evolving space, both in terms of industry understanding but also the regulatory frameworks on both a regional and global basis. BlackRock continues to monitor developments in the EU's ongoing implementation of its framework for sustainable investing and is seeking to evolve its investment methodologies to ensure alignment as the regulatory environment changes. As a result, BlackRock may update these disclosures, and the methodologies and sources of data used, at any time in the future as market practice evolves or further regulatory guidance becomes available.

The UN Sustainable Development Goals and sub-targets are used by BlackRock as a list of environmental and/or social objectives. Any assessment will be undertaken strictly in accordance with the methodology set out in the Prospectus. Assumptions associated with the conventional use of the SDGs are not considered as part of the assessment including but not limited to applicable geographical limitations and those commitments that may be limited by time or scope, such as goals that may be applicable only to governments.

Limitations in relation to the data sources are noted below.

Limitations to Data

ESG data sets are constantly changing and improving as disclosure standards, regulatory frameworks and industry practice evolve. BlackRock continues to work with a broad range of market participants to improve data quality.

Whilst each ESG metric may come with its own individual limitations, data limitations may broadly be considered to include, but not be limited to:

- Lack of availability of certain ESG metrics due to differing reporting and disclosure standards impacting issuers, geographies or sectors.
- Nascent statutory corporate reporting standards regarding sustainability leading to differences in the extent to which companies themselves can report against regulatory criteria and therefore some metric coverage levels may be low.
- Inconsistent use and levels of reported vs estimated ESG data across different data providers, taken at varied time periods which makes comparability a challenge.
- Estimated data by its nature may vary from realized figures due to the assumptions or hypothesis employed by data providers.
- Differing views or assessments of issuers due to differing provider methodologies or use of subjective criteria.
- Most corporate ESG reporting and disclosure takes place on an annual basis and takes significant time to produce meaning that this data is produced on a lag relative to financial data. There may also inconsistent data refresh frequencies across different data providers incorporating such data into their data sets.
- Coverage and applicability of data across asset classes and indicators may vary.

- Forward looking data, such as climate related targets may vary significantly from historic and current point in time metrics.

For more information about how metrics that are presented with sustainability indicators are calculated, please see the Fund's annual report.

Sustainable Investments and Environmental and Social criteria

Sustainable investing and understanding of sustainability is evolving along with the data environment. Industry participants face challenges in identifying a single metric or set of standardized metrics to provide a complete view on a company or an investment. BlackRock has therefore established a framework to identify sustainable investments, taking into account the regulatory requirements.

BlackRock uses third-party vendor data in assessing whether investments cause significant harm and have good governance practices. There may be some circumstances where data is unavailable, incomplete, or inaccurate, in which case fundamental assessments may be undertaken, taking a proportionate approach and using reasonable efforts, to identify issues likely to have a significant impact. Despite reasonable efforts, information may not always be available in which case a subjective assessment will be made based on BlackRock's knowledge of the investment or industry. In certain cases data may reflect actions that issuers may have taken only after the fact, and do not reflect all potential instances of significant harm.

J. Due Diligence

BlackRock applies a high standard of due diligence in the selection and ongoing monitoring of investments made by the Fund for the purpose of compliance with the investment, liquidity and risk guidelines of the Fund, as well as the sustainability risk and ESG criteria and general performance. Portfolio Managers are subject to pre and post trade controls within the investment platform where the funds promote environmental or social characteristics, integrate sustainability into the investment process in a binding manner or have a sustainable investment objective. The Investment Oversight team conducts due diligence engagement with the portfolio managers and oversees internal restrictions that may expand upon requirements set out in the fund prospectus. The Portfolio Managers also comply with related EMEA policies, including Investment Due Diligence policies which have been updated to integrate sustainability risk. Legal and Compliance have implemented a framework to ensure that the relevant policies and procedures are adopted and complied with by all employees, including Portfolio Managers.

The Investment Manager integrates sustainability risks into the investment due diligence process of the Fund. The portfolio managers of the Fund are primarily responsible for considering sustainability risks. They are subject to an oversight framework within the Investment Manager and BlackRock's risk management function, RQA group also provides independent reviews of sustainability risks and the compliance team provides further oversight and monitors the ESG requirements relevant to each fund and the investment restrictions for each fund. RQA, serves as the second line of defence in BlackRock’s risk management framework. RQA is responsible for BlackRock’s Investment and Enterprise risk management framework which includes oversight of sustainability-related investment risks. RQA Investment Risk conducts regular reviews with portfolio managers to ensure investment teams are advised of relevant sustainability risks, complementing the first-line monitoring and oversight of sustainability considerations across our investment platform. RQA also has a dedicated Sustainability Risk Team that partners with risk managers and businesses to reinforce this constructive engagement. RQA collaborates with working groups

throughout the Investments Platform and with Aladdin Sustainability Lab to advance the firm's sustainability toolkit through consultation on firmwide data, modelling, methodologies, and analytics. For further information on sustainability risks, please refer to BlackRock's sustainability risk disclosure available here. In addition, BlackRock makes data relating to principal adverse impacts available to all portfolio managers and BlackRock integrates consideration of the principle adverse impacts of investment decisions on sustainability factors in the investment due diligence process. For further information, please see 'Section D – Investment strategy' above.

K. Engagement Policies

The Fund

The Fund does not use engagement as a means of meeting its binding commitments to environmental or social characteristics or sustainable investment objectives.

General

Engagement with companies in which we invest our clients' assets occurs at multiple levels within BlackRock.

Where engagement is specifically identified by a particular portfolio management team as one of the means by which they seek to demonstrate a commitment to environment, social and governance issues within the context of SFDR, the methods by which the effectiveness of such engagement policy and the ways in which such an engagement policy may be adapted in the event that they do not achieve the desired impact (usually expressed as a reduction in specified principal adverse indicators) would be described in the prospectus and website disclosures particular to that fund.

Where investment teams chooses to leverage engagement, this can take a variety of forms but, in essence, the portfolio management team would seek to have regular and continuing dialogue with executives or board directors of engaged investee companies to advance sound governance and sustainable business practices targeted at the identified ESG characteristics and principal adverse indicators, as well as to understand the effectiveness of the company's management and oversight of activities designed to address the identified ESG issues. Engagement also allows the portfolio management team to provide feedback on company practices and disclosures.

Where a relevant portfolio management team has concerns about a company's approach to the identified ESG characteristics and/or principal adverse indicators, they may choose to explain their expectations to the company's board or management and may signal through voting at general meetings that they have outstanding concerns, generally by voting against the re-election of directors they view as having responsibility for improvements in the identified ESG characteristics or principal adverse indicators.

Separate from the activities of any particular portfolio management team, at the highest level, as part of its fiduciary approach, BlackRock has determined that it is in the best long-term interest of its clients to promote sound corporate governance as an informed, engaged shareholder. At BlackRock, this is the responsibility of BlackRock Investment Stewardship. Principally through the work of BIS team, BlackRock meets the requirements in the Shareholder Rights Directive II ('SRD II") relating to engagement with public companies and other parties in the investment ecosystem. A copy of BlackRock's SRD II engagement policy

can be found at https://www.blackrock.com/corporate/literature/publication/blk-shareholder-rights-directiveii-engagement-policy-2022.pdf.

BlackRock's approach to investment stewardship is outlined in the BIS Global Principles and market-level voting guidelines. The BIS Global Principles set out our stewardship philosophy and our views on corporate governance and sustainable business practices that support long-term value creation by companies. We recognize that accepted standards and norms of corporate governance differ between markets; however, we believe there are certain fundamental elements of governance practice that are intrinsic globally to a company's ability to create long-term value. Our market-specific voting guidelines provide detail on how BIS implements the Global Principles – taking into consideration local market standards and norms – and inform our voting decisions in relation to specific ballot items for shareholder meetings. BlackRock's overall approach to investment stewardship and engagement can be found at: https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive and https://www.blackrock.com/corporate/about-us/investment-stewardship.

In undertaking its engagement, BIS may focus on particular ESG themes, which are outlined in BlackRock's voting priorities https://www.blackrock.com/corporate/literature/publication/blk-stewardship-priorities-final.pdf.

L. Designated reference benchmark

Yes, this Fund seeks to achieve the environmental and social characteristics it promotes by investing in the constituents of the MSCI North America ESG Screened Select Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

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