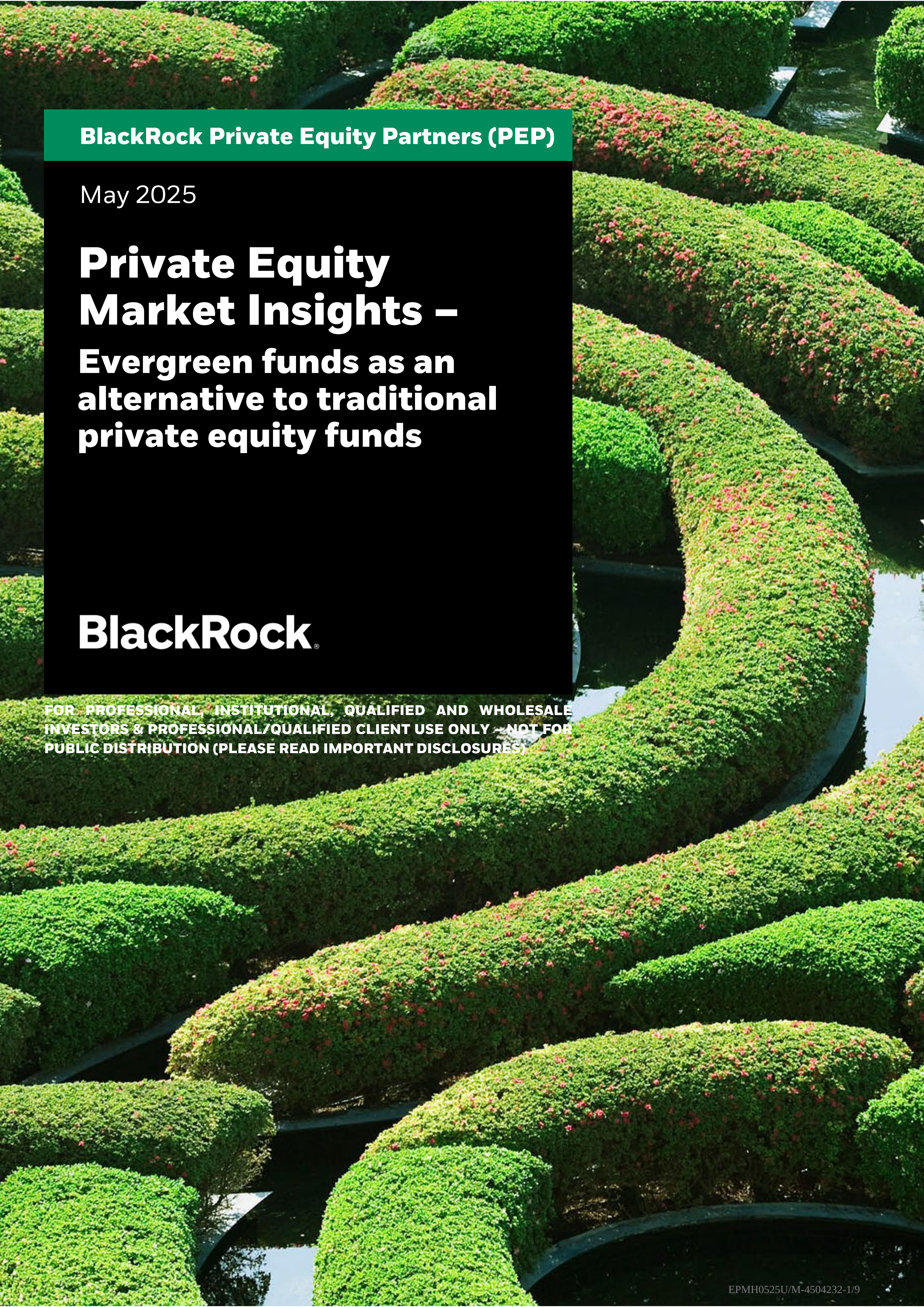


BlackRock Private Equity Partners (PEP)

May 2025

# Private Equity Market Insights –

## Evergreen funds as an alternative to traditional private equity funds

BlackRock

## Market insights contributors

BlackRock Private Equity Partners


**Tom Dharte**
Senior Product Strategist

**Jeroen Cornel**
Senior Product Strategist

**Jan-Frederik Modell**
Senior Product Strategist

**Tatiana von Rosen**
Product Strategist



## Summary

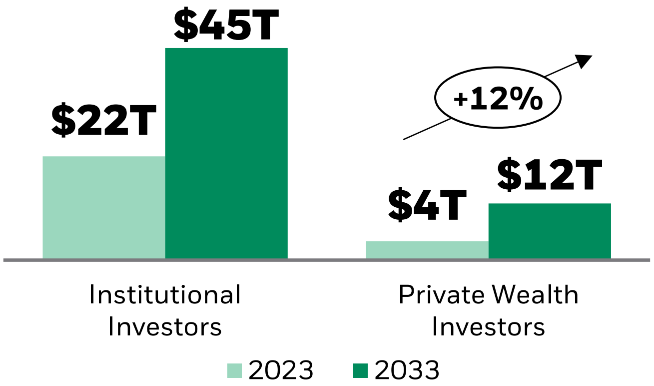
*Traditionally, closed-ended funds with a fixed fund term have been the standard way for institutional investors to access private equity. These investors have been accustomed to selecting managers, committing to their funds and receiving capital calls, seeing value being created and subsequently receiving back the proceeds from exits in the form of cash distributions. Historically, this corner of the market has largely been accessed only by the largest and most sophisticated investors across the globe. Increasingly, the asset class has become more democratized through the evolution of evergreen private equity funds with regular limited liquidity that are expanding access to a broader array of investors including individual investors.*


# Introducing the opportunity

Historically, private equity investments were accessed primarily through *closed-ended funds with fixed fund terms* exclusively designated for institutional and qualified investors who struggled to hit return targets through investments in public equities and fixed income. As the private equity asset class continued to demonstrate its resilient and sustained performance relative to public markets as well as provide inherent diversification benefits, many high-net-worth (HNW) individual investors began pursuing access to the asset class as managers alike sought to expand their offerings.

Over recent years, private equity managers as well as private banks and wealth platforms have introduced evergreen funds, enabling individual investors to gain access to fully funded private equity funds without the same accreditation status required to access traditional private funds. Over the next decade, the growth in private markets AUM for this investor cohort is expected to triple at a 12% CAGR compared to institutional investor AUM growth of approximately 2x with an 8% CAGR as illustrated by **Figure 1.**

**Figure 1:** Estimated global alternatives AUM by investor type (USD $T)[1]




# Evergreen differentiators

With the rise of evergreen (perpetual, open-ended) funds it is important to understand their key characteristics and how these can be different from traditional (draw-down, closed-ended) funds.

| Characteristics | Evergreen Fund | Closed-end Fund |
|---|---|---|
| **Availability** | Always available | During fundraising period (1-2 years) |
| **Fund term** | Evergreen, perpetual | 8-12 years |
| **Funding** | Fully paid-in at subscription | Drawn down over time (3-5 years) |
| **Liquidity** | Regular, limited liquidity (subject to gates) | Illiquid (Distributions at manager's discretion when assets are realized) |
| **Investment level steering for investors** | Exposure can be adjusted over time through subscriptions and redemptions | Complex cash flow modelling and commitment pacing required to maintain target NAV level |
| **Performance metrics** | Time-weighted returns | Money-weighted returns (IRR) and money multiples |

1. Bain & Company "Global Private Equity Report 2025" released in March 2025.

To start, traditional closed-end funds gradually, and mostly irregularly, draw down investor commitments as needed to fund investments over the course of the investment period. Following that 4-6 year investment period, the manager exits its stake in the underlying PE assets and the capital is distributed back to its investors. Due to this cash flow dynamic, investors in closed-end funds are likely never fully invested and market data shows that the NAV reaches a maximum of 60%-80%[3].

Additionally, it is difficult to anticipate timing of capital calls and more so of distributions. In order to meet capital call requests, which typically are issued on short notice, investors in closed-end private funds typically hold the uncalled or open portion of their commitment in cash or money market instruments. This amount can be substantial, 30% to 50% of the investor's commitment, and when measuring performance, such uncalled commitment is typically not considered.

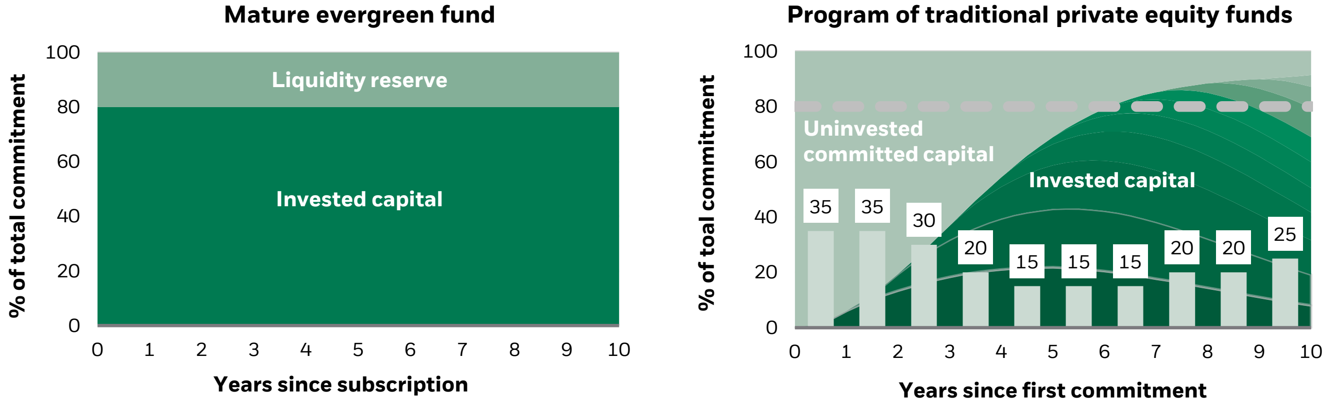
Sophisticated institutional investors have portfolios of dozens of funds and often utilize statistical models to forecast capital calls and distributions and optimize or pace commitments to future vintages, as depicted in Figure 2, such that a certain target exposure is achieved. However, this process is complex, and many institutional investors are either under- or overallocated per recent research from Preqin[2]. It is common to commit more capital than the target NAV, a strategy that might pose tail-end risk regarding broader portfolio liquidity and allocation breaches.

The process of reinvesting capital that is distributed from closed-ended funds not only poses re-investment risk, but it also highlights the challenge of compounding returns, given the difficulty of redeploying into new funds swiftly as they are subject to fundraising windows and timing of closings – not to mention the resources required to complete new investments requiring investment due diligence, committee approvals and operational burdens involved with the investment process.

All of these characteristics are in stark contrast with evergreen funds, where the investor's full subscription amount is invested instantly thereby allowing efficient access to a mature portfolio of private equity assets complemented by an actively managed liquidity reserve, as well as certainty around cash flows. As the name suggests, evergreen funds typically recycle or accumulate distributions to allow investors to benefit from compounding of returns within the fund.

Evergreen funds are typically structured to provide investors with limited periodic (mostly quarterly) liquidity through active portfolio management across the whole portfolio and a dedicated liquidity reserve. It should be emphasized that such redemptions are subject to a maximum at an aggregated fund level (typically 5% per quarter). Due to its simplicity and perpetual nature, the performance of evergreen funds can be measured in traditional time-weighted returns analogue to public equities.

**Figure 2:** Estimated exposure profiles of mature evergreen fund compared to program of traditional private equity funds[3]



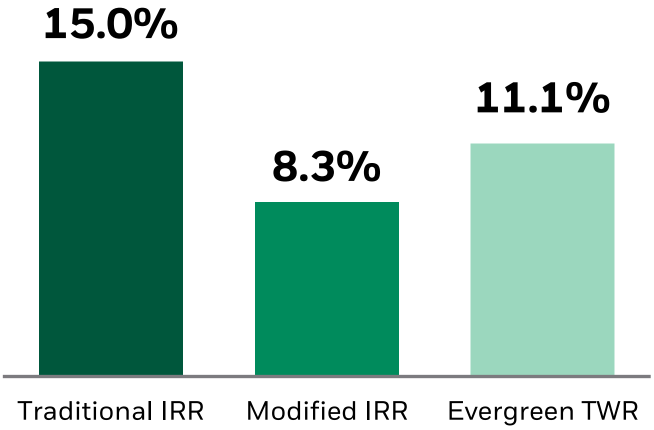

# Portfolio construction considerations

Given their unique nature, the portfolio construction of evergreen funds can be more nuanced compared to traditional private funds. Proper portfolio management and prudent portfolio construction are essential to manage cash flows of the underlying investments to enable efficient investment recycling, investor subscriptions and potential redemptions.

Structurally, most perpetual evergreen funds hold 10-30% in liquid instruments – to facilitate the ongoing subscription model, elimination of capital calls and limited periodic liquidity[6]. Clearly, this liquidity sleeve will dilute returns of an evergreen fund to some extent relative to pure private portfolios, but, for a true side-by-side comparison, we believe the cash drag of the uncalled private fund must also be considered, as highlighted and explained in **Figure 3.** Assuming the underlying assets are identical, the key difference in performance reporting for evergreen and traditional draw-down funds stems from including or excluding the return of capital not at work via uncalled capital or distributions.

One concept to account for the drag associated with this uninvested capital is *modified IRR*[4] which blends the return of the standalone private market fund with the return earned on the uninvested capital typically through money market securities, enabling investors to draw more realistic comparisons between traditional private funds and evergreen models. **Figure 3** illustrates the difference between 1) a hypothetical TWR (time weighted return) of a mature evergreen fund including a 20% liquidity reserve invested in money market instruments, 2) an IRR of a traditional private fund[3] and 3) a modified IRR of that same private fund.

**Figure 3:** Comparing evergreen and traditional private fund returns[5]. All performance figures shown are net of hypothetical fees and assume the yield of money market securities is 3.0%.[4]




4. Modified IRR: A better measure. H. Kierulff, *Business Horizons* (2008).

As the liquidity reserve is an integral part of an evergreen fund **(Light green)**, its aggregated return is certainly lower compared to a traditional closed-ended private fund, on a standalone basis excluding the uninvested capital **(Dark green)**. When accounting for uninvested capital in a private fund, the IRR of the same traditional closed-ended private fund decreases dramatically when applying the modified IRR methodology **(green)** and may in fact be lower than the TWR return of an evergreen fund.

This difference makes sense as the average exposure or capital at work through the life of a traditional private fund ranges from 50% to 70% whereas in the evergreen fund 100% of capital is at work, with 80% earmarked for private investments. It should be noted that the underlying investment performance across our scenarios was identical and performance differences were the result of including the uninvested portion of a capital commitment. Hence, from a performance perspective we propose that investors should be indifferent to investing in an evergreen or drawdown fund.

In addition to the liquidity considerations, evergreen funds differ fundamentally from their private fund counterparts as theoretically they are always investing – deploying capital through various market environments while broadly diversifying across general partners, geographies, stages, sectors, vintage years and transaction types. The underlying transaction types of evergreen funds can vary widely across direct investments, secondary transaction and primary fund commitments.

We see investors expressing a preference largely for direct and secondary exposures, with less appetite for primary funds given the longer duration, lack of control on cash flows, blind pool portfolios and higher costs. Direct co-investments are of particular interest when examining their risk-adjusted returns. Academic literature demonstrates that there is no adverse selection and as such the expected investment performance is at par compared to assets that are not offered as co-investment[1] . On the risk spectrum, diversification across dozens of general partners results in lower concentration risk to a single general partner and internal analyses have shown that variability of outcomes reduces by as much as 15% to 20% when spreading capital over at least 20 general partners[2]. Combining both effects results in superior risk-adjusted returns for co-investments and making the case for a significant allocation to this transaction type in evergreen funds.

At steady-state these evergreen funds may provide exposure to over 50-100 companies via direct co-investments and may include an allocation to secondary transactions for additional diversification and potential to further enhance the risk-return profile of the portfolio. Direct co-investments offer an attractive access point to private equity backed companies due to its inherent high level of diversification across sectors, geographies, company sizes and investment themes and allow investors to obtain exposure to a wide opportunity set by investing into companies that are in the “sweet spot” of wide array of specialized general partners, as opposed to a more limited deal flow from only one general partner that may be focused on a certain area of the private equity market.

These benefits of direct co-investments have also been recognized by institutional investors with direct co-investments now representing 15% of their total private equity allocations[3]. This trend is only increasing, with 38% of institutional investors planning to increase their allocations to co-investments in 2025, up from 27% in 2024[4].

# Key consideration for fund selectors

Key considerations when selecting an evergreen program include the manager’s ability to deploy inflows prudently into the fund and manage the portfolio diversification. It is crucial for the portfolio manager to be able to invest new capital from monthly subscriptions swiftly into high-quality private equity transaction to avoid a drag on performance from an outsized liquidity allocation in the fund. This requires an established investment platform that invests at scale and sources significant deal flow on an ongoing basis. Additionally, generating robust global deal flow introduces further breadth in the type of private equity transactions the fund will participate, as it may invest alongside a variety of general partners to gain exposure to different size of companies and different themes (e.g. family businesses, corporate carve-outs, consolidation strategies, venture capital and growth opportunities).

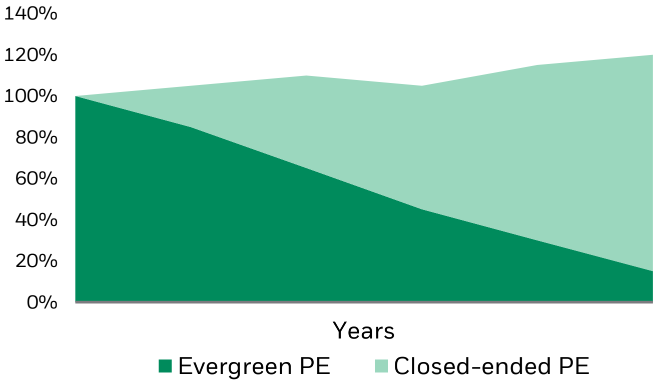
Additionally, fund selectors need to closely examine the fund manager’s allocation policies as one misconception could be that traditional closed-ended private funds receive priority allocations to investment opportunities and other funds receive less attractive investment opportunities, disadvantaging their investors – a concept we heavily dispute. On the contrary, it is key for evergreen funds to allocate pari-passu alongside traditional private funds into the same strategies, with legal and regulatory oversight, to ensure all investors receive exposure to the same investment opportunities.

1. Adverse selection and the performance of private equity co-investments. R. Braun, T. Jenkinson, C. Schemmerl. Journal of Financial Economics, 136 (1), 2020, 44-62; 2. Measured by the decrease in interquartile ranges (difference between 25th and 75th percentiles) of TVPIs of buyout funds (226 actual funds) and co-investment funds (1’000 simulated funds with at least 20 distinct general partners). Internal data per June 30, 2024; 3. Global Private Markets Report 2025 by McKinsey; 4. LP Perspectives 2025, Private Equity International

# Use cases for evergreen funds in PE portfolios

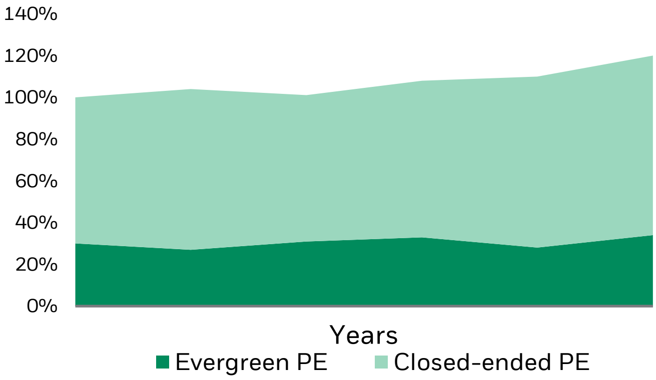
Evergreen fund structures can be used as a stand-alone investment and also, particularly for institutional investors, in combination with traditional closed-end fund structures within a diversified private equity portfolio in various use cases.

## Ramp up of new private equity allocation




Evergreen funds offer an appealing entry point for investors initiating a private equity allocation. Unlike closed-end funds, which deploy capital gradually over an investment period, evergreen funds provide immediate exposure to private markets, helping to mitigate the impact of the J-curve. As closed-end funds are added to the portfolio and begin calling capital, investors can strategically redeem portions of their evergreen fund holdings to meet these capital calls—supporting liquidity needs while maintaining their target private equity exposure over time.

## Core private equity allocation




For sophisticated investors with established private equity programmes, an evergreen fund can function both as a core portfolio holding and a strategic portfolio management tool. It complements traditional closed-end structures by offering greater flexibility and diversification. Specifically, evergreen funds enable investors to re-commit distributions from closed-end vehicles in a timely manner, helping to maintain consistent private equity exposure and smooth out fundraising cycles between vintages. More broadly, their ongoing subscription opportunities and limited redemption features make evergreen funds a valuable mechanism for actively managing the overall allocation to private equity within a portfolio.

## Efficient strategy implementation

Implementing a private equity programme through numerous traditional closed-end fund commitments demands significant portfolio management and operational resources. Investors must navigate ongoing fund selection and due diligence, commitment pacing, cash flow management, internal approval processes, and complex reporting requirements. To reduce this operational burden, some investors may choose to allocate part or all of their private equity exposure to evergreen funds. These structures offer simplified management through features such as automatic reinvestment and recycling, supporting the long-term compounding of returns while streamlining administration.

# Conclusion

As private equity becomes increasingly democratized, evergreen funds provide a broader range of investors with access to limited liquidity private equity strategies—offering exposure to the same high-quality transactions typically available only through flagship funds historically reserved for large institutional investors. At the same time, institutional investors with existing allocations to the asset class can leverage evergreen funds to complement their closed-end fund holdings, unlocking a wider range of strategic use cases and enhancing portfolio flexibility.

The evergreen private equity market currently offers a growing range of options, catering to investors seeking varied points of entry into the asset class. As these strategies continue to mature and attract interest, the opportunity for further expansion remains significant. Over time, we anticipate that evergreen managers will emerge as a distinct cohort within the private equity landscape—much like secondary fund managers have in recent years.

Given this evolution, we encourage all investors—not just wealth managers and individuals—to explore these strategies more closely and assess the valuable role they can play within a diversified portfolio.

## Want to know more?

The BlackRock Private Equity Partners team will continue to monitor all of the dynamics discussed in this Market Insights edition. We welcome the opportunities to engage further with our clients to discuss our private equity outlook as well as our differentiated origination of attractive investment opportunities in the current environment.

In order to navigate these market dynamics successfully, many clients choose to partner with experienced, cycle-tested private equity solutions providers. With 25+ years of experience sourcing, underwriting, executing and monitoring direct investments through a variety of economic and market cycles, the BlackRock Private Equity Partners' historical perspective on the private equity markets can lead to more informed investment decision making.

# Want to know more?

blackrock.com | PEPInvestorRelations@blackrock.com

*Investing involves risk, including possible loss of principal. Asset allocation and diversification may not protect against market risk, loss of principal or volatility of returns. There is no guarantee that these investment strategies will work under all market conditions or are suitable for all investors and each investor should evaluate their ability to invest long-term, especially during periods of downturn in the market. No representation is being made that any account, product, or strategy will or is likely to achieve profits.*

## Important Information

Source: BlackRock. All views expressed are as of May 2025.
The material is for information purposes only. It is not intended for and should not be distributed to, or relied upon by, members of the public. It is not intended to be a forecast, research or investment advice, and is not a recommendation, or an offer or solicitation to buy or sell any securities or to adopt any investment strategy. The opinions expressed are subject to change. References to specific securities, asset classes and financial markets are for illustrative purposes only and are not intended to be and should not be interpreted as recommendations. Reliance upon information in this material is at the sole risk and discretion of the reader. The material was prepared without regard to specific objectives, financial situation or needs of any investor.

**In the U.S.,** this material is for Financial Professional and Institutional use only – not for public distribution.

**In Canada,** this material is intended for permitted clients as defined under Canadian securities law, is for educational purposes only, does not constitute investment advice and should not be construed as a solicitation or offering of units of any fund or other security in any jurisdiction. Investors should read the relevant offering documents carefully including the investment objective and risk factors relating to the fund before investing.

**In Latin America,** for Institutional Investors and Financial Intermediaries Only (Not for public distribution). This material is for educational purposes only and does not constitute an offer or solicitation to sell or a solicitation of an offer to buy any shares of any fund (nor shall any such shares be offered or sold to any person) in any jurisdiction in which an offer, solicitation, purchase or sale would be unlawful under the securities law of that jurisdiction. It is possible that some or all of the funds mentioned in this document have not been registered with the securities regulator of Argentina, Brazil, Chile, Colombia, Mexico, Panama, Peru, Uruguay or any other securities regulator in any Latin American country and thus might not be publicly offered within any such country. The securities regulators of such countries have not confirmed the accuracy of any information contained herein. No information discussed herein can be provided to the general public in Latin America. **In Argentina,** only for use with Qualified Investors under the definition as set by the Comisión Nacional de Valores (CNV). **In Brazil,** this private offer does not constitute a public offer, and is not registered with the Brazilian Securities and Exchange Commission, for use only with professional investors as such term is defined by the Comissão de Valores Mobiliários. **In Chile,** The securities if any described in this document are foreign securities, therefore: i) their rights and obligations will be subject to the legal framework of the issuer's country of origin, and therefore, investors must inform themselves regarding the form and means through which they may exercise their rights; and that ii) the supervision of the Commission for the Financial Market (Comisión para el Mercado Financiero or “CMF”) will be concentrated exclusively on compliance with the information obligations established in General Standard No. 352 of the CMF and that, therefore, the supervision of the security and its issuer will be mainly made by the foreign regulator; In the case of a fund not registered with the CMF is subject to General Rule No. 336 issued by the SVS (now the CMF). The subject matter of this sale may include securities not registered with the CMF; therefore, such securities are not subject to the supervision of the CMF. Since the securities are not registered in Chile, there is no obligation of the issuer to make publicly available information about the securities in Chile. The securities shall not be subject to public offering in Chile unless registered with the relevant registry of the CMF. **In Colombia,** the promotion of each product discussed herein is carried out through the Representative Office of BlackRock Fund Advisors, authorized by the Colombian Financial Superintendence. The transmission of this information does not constitute a securities public offering in Colombia. The products discussed herein may not be promoted or marketed in Colombia or to Colombian residents unless such promotion and marketing is made in compliance with Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign financial and/or securities related products or services in Colombia. With the receipt of these materials, and unless the Client contacts BlackRock with additional requests for information, the Client agrees to have been provided the information for due advisory required by the marketing and promotion regulatory regime applicable in Colombia. **In Peru,** this private offer does not constitute a public offer, and is not registered with the Securities Market Public Registry of the Peruvian Securities Market Commission, for use only with institutional investors as such term is defined by the Superintendencia de Banca, Seguros y AFP. **In Uruguay**, the Securities are not and will not be registered with the Central Bank of Uruguay. The Securities are not and will not be offered publicly in or from Uruguay and are not and will not be traded on any Uruguayan stock exchange. This offer has not been and will not be announced to the public and offering materials will not be made available to the general public except in circumstances which do not constitute a public offering of securities in Uruguay, in compliance with the requirements of the Uruguayan Securities Market Law (Law Nº 18.627 and Decree 322/011).

IN MEXICO, FOR INSTITUTIONAL AND QUALIFIED INVESTORS USE ONLY. INVESTING INVOLVES RISK, INCLUDING POSSIBLE LOSS OF PRINCIPAL. THIS MATERIAL IS PROVIDED FOR EDUCATIONAL AND INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN OFFER OR SOLICITATION TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SHARES OF ANY FUND OR SECURITY.

This information does not consider the investment objectives, risk tolerance or the financial circumstances of any specific investor. This information does not replace the obligation of financial advisor to apply his/her best judgment in making investment decisions or investment recommendations. It is your responsibility to inform yourself of, and to observe, all applicable laws and regulations of Mexico. If any funds, securities or investment strategies are mentioned or inferred in this material, such funds, securities or strategies have not been registered with the Mexican National Banking and Securities Commission (Comisión Nacional Bancaria y de Valores, the "CNBV") and thus, may not be publicly offered in Mexico. The CNBV has not confirmed the accuracy of any information contained herein. The provision of investment management and investment advisory services ("Investment Services") is a regulated activity in Mexico, subject to strict rules, and performed under the supervision of the CNBV. These materials are shared for information purposes only, do not constitute investment advice, and are being shared in the understanding that the addressee is an Institutional or Qualified investor as defined under Mexican Securities (Ley del Mercado de Valores). Each potential investor shall make its own investment decision based on their own analysis of the available information. Please note that by receiving these materials, it shall be construed as a representation by the receiver that it is an Institutional or Qualified investor as defined under Mexican law. BlackRock México Operadora, S.A. de C.V., Sociedad Operadora de Fondos de Inversión ("BlackRock México Operadora") is a Mexican subsidiary of BlackRock, Inc., authorized by the CNBV as a Mutual Fund Manager (Operadora de Fondos), and as such, authorized to manage Mexican mutual funds, ETFs and provide Investment Advisory Services. For more information on the Investment Services offered by BlackRock Mexico, please review our Investment Services Guide available in www.blackrock.com/mx. This material represents an assessment at a specific time and its information should not be relied upon by the you as research or investment advice regarding the funds, any security or investment strategy in particular. Reliance upon information in this material is at your sole discretion. BlackRock México is not authorized to receive deposits, carry out intermediation activities, or act as a broker dealer, or bank in Mexico.

For more information on BlackRock México, please visit: www.blackRock.com/mx. BlackRock receives revenue in the form of advisory fees for our advisory services and management fees for our mutual funds, exchange traded funds and collective investment trusts. Any modification, change, distribution or inadequate use of information of this document is not responsibility of BlackRock or any of its affiliates. Pursuant to the Mexican Data Privacy Law (Ley Federal de Protección de Datos Personales en Posesión de Particulares), to register your personal data you must confirm that you have read and understood the Privacy Notice of BlackRock México Operadora. For the full disclosure, please visit www.blackRock.com/mx and accept that your personal information will be managed according with the terms and conditions set forth therein.

**For investors in Central America,** these securities have not been registered before the Securities Superintendence of the Republic of Panama, nor did the offer, sale or their trading procedures. The registration exemption has made according to numeral 3 of Article 129 of the Consolidated Text containing of the Decree-Law No. 1 of July 8, 1999 (institutional investors). Consequently, the tax treatment set forth in Articles 334 to 336 of the Unified Text containing Decree-Law No. 1 of July 8, 1999, does not apply to them. These securities are not under the supervision of the Securities Superintendence of the Republic of Panama. The information contained herein does not describe any product that is supervised or regulated by the National Banking and Insurance Commission (CNBS) in Honduras. Therefore any investment described herein is done at the investor's own risk. In Costa Rica, any securities or services mentioned herein constitute an individual and private offer made through reverse solicitation upon reliance on an exemption from registration before the General Superintendence of Securities ("SUGEVAL"), pursuant to articles 7 and 8 of the Regulations on the Public Offering of Securities ("Reglamento sobre Oferta Pública de Valores"). This information is confidential, and is not to be reproduced or distributed to third parties as this is NOT a public offering of securities in Costa Rica. The product being offered is not intended for the Costa Rican public or market and neither is registered or will be registered before the SUGEVAL, nor can be traded in the secondary market. If any recipient of this documentation receives this document in El Salvador, such recipient acknowledges that the same has been delivered upon their request and instructions, and on a private placement basis. In Guatemala, this communication and any accompanying information (the "Materials") are intended solely for informational purposes and do not constitute (and should not be interpreted to constitute) the offering, selling, or conducting of business with respect to such securities, products or services in the jurisdiction of the addressee (this "Jurisdiction"), or the conducting of any brokerage, banking or other similarly regulated activities ("Financial Activities") in the Jurisdiction. Neither BlackRock, nor the securities, products and services described herein, are registered (or intended to be registered) in the Jurisdiction. Furthermore, neither BlackRock, nor the securities, products, services or activities described herein, are regulated or supervised by any governmental or similar authority in the Jurisdiction. The Materials are private, confidential and are sent by BlackRock only for the exclusive use of the addressee. The Materials must not be publicly distributed and any use of the Materials by anyone other than the addressee is not authorized. The addressee is required to comply with all applicable laws in the Jurisdiction, including, without limitation, tax laws and exchange control regulations, if any.

**For investors in the Caribbean,** any funds mentioned or inferred in this material have not been registered under the provisions of the Investment Funds Act of 2003 of the Bahamas, nor have they been registered with the securities regulators of Dominica, the Cayman Islands, the British Virgin Islands, Grenada, Trinidad & Tobago or any jurisdiction in the Organisation of Eastern Caribbean States, and thus, may not be publicly offered in any such jurisdiction. Engaging in marketing, offering or selling any fund from within the Cayman Islands to persons or entities in the Cayman Islands may be deemed carrying on business in the Cayman Islands. As a non-Cayman Islands person, BlackRock may not carry on or engage in any trade or business unless it properly registers and obtains a license for such activities in accordance with the applicable Cayman Islands law. In the Dominican Republic, any securities mentioned or inferred in this material may only be offered in a private character according to the laws of the Dominican Republic, falling beyond the scope of articles 1 numeral (31), 46 et al of Law 249-17 dated 19 December 2017, as amended and its Regulations. Since no governmental authorizations are required in such offering, any "securities" mentioned or inferred in this material have not been and will not be registered with the Stock Market Superintendency of the Dominican Republic (Superintendencia de Mercado de Valores de la República Dominicana), and these "securities" may only be circulated, offered and sold in the Dominican Republic in a private manner based on the criteria established under Dominican laws and regulations.

**This material is for distribution to Professional Clients (as defined by the Financial Conduct Authority or MiFID Rules) only and should not be relied upon by any other persons.**

**In the UK and Non-European Economic Area (EEA) countries:** this is Issued by BlackRock Investment Management (UK) Limited, authorised and regulated by the Financial Conduct Authority. Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Tel: + 44 (0)20 7743 3000. Registered in England and Wales No. 02020394. For your protection telephone calls are usually recorded. Please refer to the Financial Conduct Authority website for a list of authorised activities conducted by BlackRock.

**In the European Economic Area (EEA):** this is Issued by BlackRock (Netherlands) B.V. is authorised and regulated by the Netherlands Authority for the Financial Markets. Registered office Amstelplein 1, 1096 HA, Amsterdam, Tel: 020 – 549 5200, Tel: 31-20-549-5200. Trade Register No. 17068311 For your protection telephone calls are usually recorded

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 Switzerland**: For use with Professional Client. This document is marketing material. This document shall be exclusively made available to, and directed at, qualified investors as defined in Article 10 (3) of the CISA of 23 June 2006, as amended, at the exclusion of qualified investors with an opting-out pursuant to Art. 5 (1) of the Swiss Federal Act on Financial Services ("FinSA"). For information on art. 8 / 9 Financial Services Act (FinSA) and on your client segmentation under art. 4 FinSA, please see the following website: www.blackrock.com/finsa.

**For investors in Israel**: For Qualified Investors/Qualified Clients- where the client has attested via a letter of confirmation. BlackRock Investment Management (UK) Limited is not licenced under Israel's Regulation of Investment Advice, Investment Marketing and Portfolio Management Law, 5755-1995 (the "Advice Law"), nor does it carry insurance thereunder. This document is provided for informational services only and is not intended to serve and should not be treated as Investment Advice. BlackRock could have a direct or indirect benefit from investments made by investors in Israel in the products mentioned in this document, or in other products managed by third parties with whom BlackRock is involved in a business contract. In particular, BlackRock manages the traded foreign funds mentioned in this document, and therefore derives a benefit from investments of Israeli investors in them (inter alia, by charging a "management fee" as specified in the prospectus and in the Annex to the prospectuses of such funds). Therefore, BlackRock has a "Connection" to such products, might have a personal interest in their sale, and might prefer such products over other products. Accordingly, any advice BlackRock provides, is considered, for the purpose of the Investment Advice Law, as Investment Marketing (and not Investment Advising). For complete information about BlackRock's "affiliation" with financial assets (including the types of financial assets and the names of the entities that issue or manage them), you can contact BlackRock at www.blackrock.com. This Document, as well as any products and services described herein, are directed at and intended exclusively for individuals or corporations that fall within at least one category in each of the First Schedule of the Investment Advice Law ("Qualified Clients"). BlackRock does not hold a license and is not insured as required under the Investment Advice Law. Nothing in the fund's past returns in can ensure a similar return in the future. Investment in the products mentioned in this document is subject to the risks described in the fund prospectus (including the risk of loss of investment funds). For a concise description of the unique risks for the products mentioned in this document, see the risk section in the annex to the prospectus intended for investors in Israel, and published on the distribution website of the Israeli Securities Authority and the Tel Aviv Stock Exchange. Furthermore, although BlackRock invests reasonable efforts to ensure the accuracy of the data presented in this document, it does not guarantee their accuracy, is not responsible for it, and should not be relied upon when making an investment decision. Therefore, investors considering investing in the products mentioned in this document should examine the full offer documents of the relevant product (and in particular, the prospectus and the annex to the prospectus as stated above, and the risks described therein), and consult experts on their behalf regarding the viability of the investment. The Fund and Fund Manager are not subject to the laws and regulations to which Israeli mutual funds are subject".

**In Hong Kong,** this material is issued by BlackRock Asset Management North Asia Limited and has not been reviewed by the Securities and Futures Commission of Hong Kong. This material is for distribution to "Professional Investors" (as defined in the Securities and Futures Ordinance (Cap.571 of the laws of Hong Kong) and any rules made under that ordinance) and should not be relied upon by any other persons or redistributed to retail clients in Hong Kong.

**In Singapore,** this is issued by BlackRock (Singapore) Limited (Co. registration no. 200010143N) for use only with institutional investors as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

**In Australia & New Zealand,** issued by BlackRock Investment Management (Australia) Limited ABN 13 006 165 975, AFSL 230 523 (BIMAL) for the exclusive use of the recipient, who warrants by receipt of this material that they are a wholesale client as defined under the Australian Corporations Act 2001 (Cth) and the New Zealand Financial Advisers Act 2008 respectively.

BIMAL is not licensed by a New Zealand regulator to provide 'Financial Advice Service' 'Investment manager under an FMC offer' or 'Keeping, investing, administering, or managing money, securities, or investment portfolios on behalf of other persons'. BIMAL's registration on the New Zealand register of financial service providers does not mean that BIMAL is subject to active regulation or oversight by a New Zealand regulator.

This material provides general advice only and does not take into account your individual objectives, financial situation, needs or circumstances. Before making any investment decision, you should therefore assess whether the material is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances. Refer to BIMAL's Financial Services Guide on its website for more information. This material is not a financial product recommendation or an offer or solicitation with respect to the purchase or sale of any financial product in any jurisdiction.

This material is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation. BIMAL is a part of the global BlackRock Group which comprises of financial product issuers and investment managers around the world. BIMAL is the issuer of financial products and acts as an investment manager in Australia. BIMAL does not offer financial products to persons in New Zealand who are retail investors (as that term is defined in the Financial Markets Conduct Act 2013 (FMCA)). This material does not constitute or relate to such an offer. To the extent that this material does constitute or relate to such an offer of financial products, the offer is only made to, and capable of acceptance by, persons in New Zealand who are wholesale investors (as that term is defined in the FMCA).

BIMAL, its officers, employees and agents believe that the information in this material and the sources on which it is based (which ma y be sourced from third parties) are correct as at the date of publication. While every care has been taken in the preparation of this material, no warranty of accuracy or reliability is given and no responsibility for the information is accepted by BIMAL, its officers, employees or agents. Except where contrary to law, BIMAL excludes all liability for this information.
No part of this material may be reproduced or distributed in any manner without the prior written permission of BIMAL.

**For Southeast Asia:** This document is issued by BlackRock and is intended for the exclusive use of any recipient who warrants, by receipt of this material, that such recipient is an institutional investors or professional/sophisticated/qualified/accredited/expert investor as such term may apply under the relevant legislations in Southeast Asia (for such purposes, includes only the Philippines, Brunei and Indonesia). BlackRock does not hold any regulatory licenses or registrations in Southeast Asia countries listed above, and is therefore not licensed to conduct any regulated business activity under the relevant laws and regulations as they apply to any entity intending to carry on business in Southeast Asia, nor does BlackRock purport to carry on, any regulated activity in any country in Southeast Asia. BlackRock funds, and/or services shall not be offered or sold to any person in any jurisdiction in which such an offer, solicitation, purchase, or sale would be deemed unlawful under the securities laws or any other relevant laws of such jurisdiction(s).

This material is provided to the recipient on a strictly confidential basis and is intended for informational or educational purposes only. Nothing in this document, directly or indirectly, represents to you that BlackRock will provide, or is providing BlackRock products or services to the recipient, or is making available, inviting, or offering for subscription or purchase, or invitation to subscribe for or purchase, or sale, of any BlackRock fund, or interests therein. This material neither constitutes an offer to enter into an investment agreement with the recipient of this document, nor is it an invitation to respond to it by making an offer to enter into an investment agreement.
The distribution of the information contained herein may be restricted by law and any person who accesses it is required to comply with any such restrictions. By reading this information you confirm that you are aware of the laws in your own jurisdiction regarding the provision and sale of funds and related financial services or products, and you warrant and represent that you will not pass on or utilize the information contained herein in a manner that could constitute a breach of such laws by BlackRock, its affiliates or any other person.

**In South Korea,** this information is issued by BlackRock Investment (Korea) Limited. This material is for distribution to the Qualified Professional Investors (as defined in the Financial Investment Services and Capital Market Act and its sub-regulations) and for information or educational purposes only, and does not constitute investment advice or an offer or solicitation to purchase or sells in any securities or any investment strategies.

**In China,** This material may not be distributed to individuals resident in the People's Republic of China ("PRC", for such purposes, not applicable to Hong Kong, Macau and Taiwan) or entities registered in the PRC unless such parties have received all the required PRC government approvals to participate in any investment or receive any investment advisory or investment management services.

**In Taiwan,** Independently operated by BlackRock Investment Management (Taiwan) Limited. Address: 28F., No. 100, Songren Rd., Xinyi Dist., Taipei City 110, Taiwan. Tel: (02)23261600.

This material is provided to the recipient on a strictly confidential basis and is intended for informational or educational purposes only. Nothing in this document, directly or indirectly, represents to you that BlackRock will provide, or is providing BlackRock products or services to the recipient, or is making available, inviting, or offering for subscription or purchase, or invitation to subscribe for or purchase, or sale, of any BlackRock fund, or interests therein. This material neither constitutes an offer to enter into an investment agreement with the recipient of this document, nor is it an invitation to respond to it by making an offer to enter into an investment agreement. The distribution of the information contained herein may be restricted by law and any person who accesses it is required to comply with any such restrictions. By reading this information you confirm that you are aware of the laws in your own jurisdiction regarding the provision and sale of funds and related financial services or products, and you warrant and represent that you will not pass on or utilize the information contained herein in a manner that could constitute a breach of such laws by BlackRock, its affiliates or any other person.

The information provided here is neither tax nor legal advice and should not be relied on as such. Investment involves risk including possible loss of principal. Any research in this document has been procured and may have been acted on by BlackRock for its own purpose. The results of such research are being made available only incidentally. The views expressed do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the BlackRock Group or any part thereof and no assurances are made as to their accuracy. This document is for information purposes only and does not constitute an offer or invitation to anyone to invest in any BlackRock funds and has not been prepared in connection with any such offer