BlackRock

MAY 31, 2023

2023 Annual Report

BlackRock Funds[SM]

- BlackRock Commodity Strategies Fund

BNM0723U-3030701-9619991

The Markets in Review

Dear Shareholder,

Investors faced an uncertain economic landscape during the 12-month reporting period ended May 31, 2023, amid mixed indicators and rapidly changing market conditions. The U.S. economy returned to modest growth beginning in the third quarter of 2022, although the pace of growth slowed thereafter. Inflation was elevated, reaching a 40-year high as labor costs grew rapidly and unemployment rates reached the lowest levels in decades. However, inflation moderated as the period continued, while continued strength in consumer spending backstopped the economy.

Equity returns varied substantially, as large-capitalization U.S. stocks gained for the period amid a rebound in big tech stocks, whereas small-capitalization U.S. stocks declined. International equities from developed markets advanced, while emerging market stocks declined substantially, pressured by higher interest rates and falling commodities prices.

The 10-year U.S. Treasury yield rose during the reporting period, driving its price down, as investors reacted to elevated inflation and attempted to anticipate future interest rate changes. The corporate bond market also faced inflationary headwinds, although high-yield corporate bond prices fared better than investment-grade bonds as demand from yield-seeking investors remained strong.

The U.S. Federal Reserve (the “Fed”), acknowledging that inflation has been more persistent than expected, raised interest rates eight times. Furthermore, the Fed wound down its bond-buying programs and incrementally reduced its balance sheet by not replacing securities that reach maturity. In addition, the Fed added liquidity to markets amid the failure of prominent regional banks.

Restricted labor supply kept inflation elevated even as other inflation drivers, such as goods prices and energy costs, moderated. While economic growth was modest in the last year, we believe that stickiness in services inflation and continued wage growth will keep inflation above central bank targets for some time. Although the Fed has decelerated the pace of interest rate hikes and most recently opted for a pause, we believe that the Fed is likely to keep rates high for an extended period to get inflation under control. With this in mind, we believe the possibility of a U.S. recession in the near term is high, but the dimming economic outlook has not yet been fully reflected in current market prices. We believe investors should expect a period of higher volatility as markets adjust to the new economic reality and policymakers attempt to adapt. Resolution of the debt ceiling standoff late in the period eliminated one source of uncertainty, but the relatively modest spending cuts won’t move the needle on the government’s substantial debt burden.

While we favor an overweight to equities in the long term, we prefer an underweight stance on equities overall in the near term. Expectations for corporate earnings remain elevated, which seems inconsistent with the possibility of a recession. Nevertheless, we are overweight on emerging market stocks as we believe a weakening U.S. dollar could provide a supportive backdrop. While we are neutral on credit overall amid tightening credit and financial conditions, there are selective opportunities in the near term. For fixed income investing with a six- to twelve-month horizon, we see the most attractive investments in short-term U.S. Treasuries, global inflation-linked bonds, and emerging market bonds denominated in local currency.

Overall, our view is that investors need to think globally, position themselves to be prepared for a decarbonizing economy, and be nimble as market conditions change. We encourage you to talk with your financial advisor and visit **blackrock.com** for further insight about investing in today’s markets.

Sincerely,

Rob Kapito
President, BlackRock Advisors, LLC

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President, BlackRock Advisors, LLC

Total Returns as of May 31, 2023

	6-Month	*12-Month*
U.S. large cap equities (S&P 500® Index)	3.33%	2.92%
U.S. small cap equities (Russell 2000® Index)	(6.53)	(4.68)
International equities (MSCI Europe, Australasia, Far East Index)	6.89	3.06
Emerging market equities (MSCI Emerging Markets Index)	(0.37)	(8.49)
3-month Treasury bills (ICE BofA 3-Month U.S. Treasury Bill Index)	2.16	3.16
U.S. Treasury securities (ICE BofA 10-Year U.S. Treasury Index)	1.78	(3.65)
U.S. investment grade bonds (Bloomberg U.S. Aggregate Bond Index)	2.00	(2.14)
Tax-exempt municipal bonds (Bloomberg Municipal Bond Index)	1.94	0.49
U.S. high yield bonds (Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index)	3.01	0.05

Past performance is not an indication of future results. Index performance is shown for illustrative purposes only. You cannot invest directly in an index.

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Investment Objective

BlackRock Commodity Strategies Fund's (the "Fund") investment objective is to seek total return.

Portfolio Management Commentary

How did the Fund perform?

For the 12-month reporting period that ended on May 31, 2023, the Fund outperformed its benchmark, the Bloomberg Commodity Index Total Return℠.

What factors influenced performance?

The Fund invests in both commodity futures and natural resources stocks, while the benchmark consists entirely of commodity futures. Since resource stocks outpaced physical commodities, holding equities versus futures made a strong contribution to relative performance.

The Fund's positioning in the energy and mining sectors contributed to performance. In the former, the shale producer Devon Energy Corp. was a leading contributor to returns. Hess Corp. also contributed to returns, the company beat first quarter 2023 earnings estimates and raised its forward guidance. In the mining sector, the Fund's position in Sigma Lithium Corp. was the largest contributor behind takeover speculation and surging electric vehicle demand.

Positioning in the oilfield services sector detracted, led by positions in Schlumberger NV and Patterson UTI-Energy, Inc. The Fund's position in SalMar ASA detracted from returns. The company saw its share price decline after the government of Norway proposed a 40% resource rent tax on salmon farmers.

The Fund achieved its allocation to commodity futures through the use of total return swaps, a form of derivative. The Fund maintained a position in cash and cash equivalents, predominantly comprised of U.S. Treasury bills, as collateral against its position in commodity total return swaps. The cash balance did not have a material impact on results.

Describe recent portfolio activity.

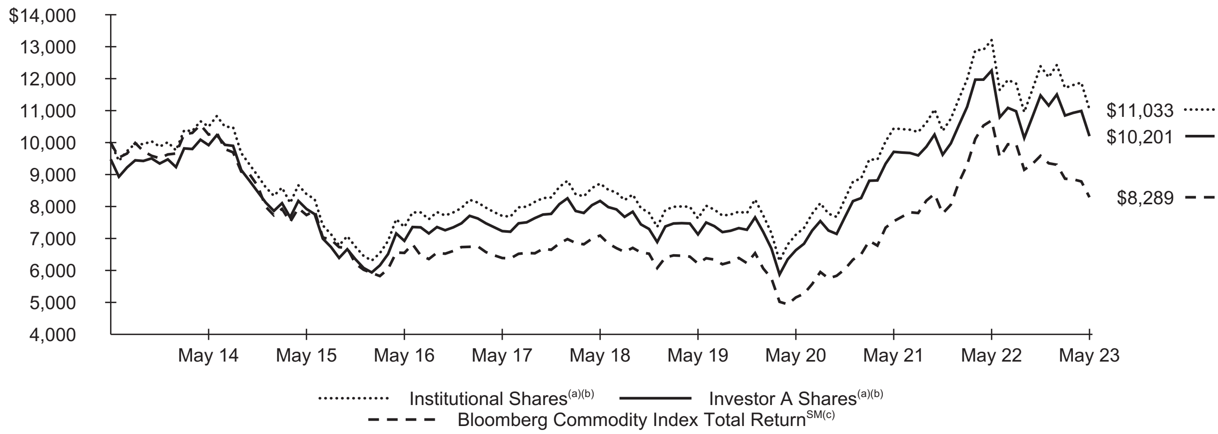
The Fund increased its total allocations to industrial metals and precious metals, reduced its positions in energy, and maintained its agriculture exposure.

Describe portfolio positioning at period end.

When combining the equity and commodity positions, the Fund was overweight in the industrial metals and energy sectors, and it was underweight in precious metals and agriculture. The industrial metals sector represented the largest overweight within the equity portfolio.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

GROWTH OF $10,000 INVESTMENT



[a] Assuming maximum sales charges, if any, transaction costs and other operating expenses, including investment advisory fees and administration fees, if any. Institutional Shares do not have a sales charge.

[b] The Fund utilizes two strategies and under normal circumstances expects to invest approximately 50% of its total assets in each strategy; provided, however, that from time to time, Fund management may alter the weightings if it deems it prudent to do so based on market conditions, trends or movements or other similar factors. One strategy focuses on investments in commodity-linked derivatives. The other strategy focuses on equity investments in commodity-related companies, including, but not limited to, companies operating in the mining, energy and agricultural sectors.

[c] An index composed of futures contracts and reflects the returns on a fully collateralized investment in the Bloomberg Commodity Index ("BCOM"). This combines the returns of the BCOM with the returns on cash collateral invested in 13-week (3-Month) U.S. Treasury Bills.

Performance

	Average Annual Total Returns[a]					
	1 Year		5 Years		10 Years	
	Without Sales Charge	*With Sales Charge*	*Without Sales Charge*	*With Sales Charge*	*Without Sales Charge*	*With Sales Charge*
Institutional	(16.46)%	N/A	4.82%	N/A	0.99%	N/A
Investor A	(16.76)	(21.13)%	4.53	3.41%	0.74	0.20%
Investor C	(17.34)	(18.10)	3.77	3.77	0.15	0.15
Class K	(16.48)	N/A	4.84	N/A	1.01	N/A
Bloomberg Commodity Index Total Return SM	(22.48)	N/A	3.17	N/A	(1.86)	N/A

[a] Assuming maximum sales charges, if any. Average annual total returns with and without sales charges reflect reductions for distribution and service fees. See "About Fund Performance" for a detailed description of share classes, including any related sales charges and fees, and how performance was calculated for certain share classes.

N/A - Not applicable as share class and index do not have a sales charge.

Past performance is not an indication of future results.

Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles.

Expense Example

	Actual			Hypothetical 5% Return			
	Beginning Account Value (12/01/22)	*Ending Account Value (05/31/23)*	*Expenses Paid During the Period*[a]	*Beginning Account Value (12/01/22)*	*Ending Account Value (05/31/23)*	*Expenses Paid During the Period*[a]	*Annualized Expense Ratio*
Institutional	$ 1,000.00	$ 890.60	$ 3.39	$ 1,000.00	$ 1,021.34	$ 3.63	0.72%
Investor A	1,000.00	889.00	4.57	1,000.00	1,020.09	4.89	0.97
Investor C	1,000.00	886.20	8.09	1,000.00	1,016.36	8.65	1.72
Class K	1,000.00	890.90	3.16	1,000.00	1,021.59	3.38	0.67

[a] For each class of the Fund, expenses are equal to the annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 182/365 (to reflect the one-half year period shown).

See "Disclosure of Expenses" for further information on how expenses were calculated.

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Portfolio Information

TEN LARGEST HOLDINGS

Security[a]	Percent of Net Assets
Exxon Mobil Corp.	3.2%
Shell PLC	1.7
BHP Group Ltd.	1.5
Franco-Nevada Corp.	1.4
Wheaton Precious Metals Corp.	1.3
TotalEnergies SE	1.2
BP PLC	1.2
ConocoPhillips	1.2
Barrick Gold Corp.	1.1
Vale SA, ADR	1.0

SECTOR ALLOCATION

Sector[b]	Percent of Net Assets
Materials	23.7%
Energy	17.7
Consumer Staples	4.6
Industrials	1.3
Other (each representing less than 1%)	1.4
Short-Term Securities	53.6
Liabilities in Excess of Other Assets	(2.3)

(a) Excludes short-term securities.
(b) For Fund compliance purposes, the Fund's sector classifications refer to one or more of the sector sub-classifications used by one or more widely recognized market indexes or ratings group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such sector sub-classifications for reporting ease.

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About Fund Performance

Institutional and Class K Shares are not subject to any sales charge. These shares bear no ongoing distribution or service fees and are available only to certain eligible investors. Class K Shares performance shown prior to the Class K Shares inception date of January 25, 2018 is that of Institutional Shares. The performance of the Fund's Class K Shares would be substantially similar to Institutional Shares because Class K Shares and Institutional Shares invest in the same portfolio of securities and performance would only differ to the extent that Class K Shares and Institutional Shares have different expenses. The actual returns of Class K Shares would have been higher than those of the Institutional Shares because Class K Shares have lower expenses than the Institutional Shares.

I**nvestor A Shares** are subject to a maximum initial sales charge (front-end load) of 5.25% and a service fee of 0.25% per year (but no distribution fee). Certain redemptions of these shares may be subject to a contingent deferred sales charge ("CDSC") where no initial sales charge was paid at the time of purchase. These shares are generally available through financial intermediaries.

Investor C Shares are subject to a 1.00% CDSC if redeemed within one year of purchase. In addition, these shares are subject to a distribution fee of 0.75% per year and a service fee of 0.25% per year. These shares are generally available through financial intermediaries. These shares automatically convert to Investor A Shares after approximately eight years.

Past performance is not an indication of future results. Financial markets have experienced extreme volatility and trading in many instruments has been disrupted. These circumstances may continue for an extended period of time and may continue to affect adversely the value and liquidity of the Fund's investments. As a result, current performance may be lower or higher than the performance data quoted. Refer to **blackrock.com** to obtain performance data current to the most recent month-end. Performance results do not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares. Figures shown in the performance table(s) assume reinvestment of all distributions, if any, at net asset value ("NAV") on the ex-dividend date or payable date, as applicable. Investment return and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Distributions paid to each class of shares will vary because of the different levels of service, distribution and transfer agency fees applicable to each class, which are deducted from the income available to be paid to shareholders.

BlackRock Advisors, LLC (the "Manager"), the Fund's investment adviser, has contractually and/or voluntarily agreed to waive and/or reimburse a portion of the Fund's expenses. Without such waiver(s) and/or reimbursement(s), the Fund's performance would have been lower. With respect to the Fund's voluntary waiver(s), if any, the Manager is under no obligation to waive and/or reimburse or to continue waiving and/or reimbursing its fees and such voluntary waiver(s) may be reduced or discontinued at any time. With respect to the Fund's contractual waiver(s), if any, the Manager is under no obligation to continue waiving and/or reimbursing its fees after the applicable termination date of such agreement. See the Notes to Consolidated Financial Statements for additional information on waivers and/or reimbursements.

Disclosure of Expenses

Shareholders of the Fund may incur the following charges: (a) transactional expenses, such as sales charges; and (b) operating expenses, including investment advisory fees, administration fees, service and distribution fees, including 12b-1 fees, acquired fund fees and expenses, and other fund expenses. The expense example shown (which is based on a hypothetical investment of $1,000 invested at the beginning of the period and held through the end of the period) is intended to assist shareholders both in calculating expenses based on an investment in the Fund and in comparing these expenses with similar costs of investing in other mutual funds.

The expense example provides information about actual account values and actual expenses. Annualized expense ratios reflect contractual and voluntary fee waivers, if any. In order to estimate the expenses a shareholder paid during the period covered by this report, shareholders can divide their account value by $1,000 and then multiply the result by the number corresponding to their share class under the heading entitled "Expenses Paid During the Period."

The expense example also provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses. In order to assist shareholders in comparing the ongoing expenses of investing in the Fund and other funds, compare the 5% hypothetical example with the 5% hypothetical examples that appear in shareholder reports of other funds.

The expenses shown in the expense example are intended to highlight shareholders' ongoing costs only and do not reflect transactional expenses, such as sales charges, if any. Therefore, the hypothetical example is useful in comparing ongoing expenses only and will not help shareholders determine the relative total expenses of owning different funds. If these transactional expenses were included, shareholder expenses would have been higher.

Derivative Financial Instruments

The Fund may invest in various derivative financial instruments. These instruments are used to obtain exposure to a security, commodity, index, market, and/or other assets without owning or taking physical custody of securities, commodities and/or other referenced assets or to manage market, equity, credit, interest rate, foreign currency exchange rate, commodity and/or other risks. Derivative financial instruments may give rise to a form of economic leverage and involve risks, including the imperfect correlation between the value of a derivative financial instrument and the underlying asset, possible default of the counterparty to the transaction or illiquidity of the instrument. Pursuant to Rule 18f-4 under the 1940 Act, among other things, the Fund must either use derivative financial instruments with embedded leverage in a limited manner or comply with an outer limit on fund leverage risk based on value-at-risk. The Fund's successful use of a derivative financial instrument depends on the investment adviser's ability to predict pertinent market movements accurately, which cannot be assured. The use of these instruments may result in losses greater than if they had not been used, may limit the amount of appreciation the Fund can realize on an investment and/or may result in lower distributions paid to shareholders. The Fund's investments in these instruments, if any, are discussed in detail in the Notes to Consolidated Financial Statements.

Security	*Shares*	*Value*
Common Stocks		
Biotechnology — 0.0%		
Hofseth BioCare ASA[a]	1,911,352	$ 540,679
Capital Markets — 0.2%		
Agronomics Ltd.[a]	16,673,979	2,126,014
Chemicals — 1.8%		
Albemarle Corp.	14,605	2,826,506
CF Industries Holdings, Inc.	30,909	1,901,212
DSM-Firmenich AG[a]	35,052	3,898,075
FMC Corp.	37,046	3,855,748
Nutrien Ltd.	30,373	1,600,657
Robertet SA[b]	3,182	2,884,251
Sociedad Quimica y Minera de Chile SA, ADR	31,163	1,999,730
Symrise AG	15,767	1,688,530
		20,654,709
Consumer Staples Distribution & Retail — 0.7%		
Grocery Outlet Holding Corp.[a][b]	137,300	3,943,256
HelloFresh SE[a]	41,133	982,901
Koninklijke Ahold Delhaize NV	95,728	3,034,803
		7,960,960
Containers & Packaging — 1.0%		
Crown Holdings, Inc.	29,438	2,244,059
FP Corp.	90,000	1,842,239
Graphic Packaging Holding Co.	179,385	4,287,302
Smurfit Kappa Group PLC	67,475	2,404,146
		10,777,746
Energy Equipment & Services — 0.8%		
Patterson-UTI Energy, Inc.	96,384	938,780
Schlumberger NV	149,535	6,404,584
Tenaris SA	145,396	1,804,890
		9,148,254
Food Products — 3.6%		
Archer-Daniels-Midland Co.	49,906	3,525,859
Barry Callebaut AG, Registered Shares	2,311	4,677,334
Bunge Ltd.	41,019	3,800,000
China Mengniu Dairy Co. Ltd.	1,086,000	4,220,898
Darling Ingredients, Inc.[a]	35,937	2,277,687
Kerry Group PLC, Class A	46,323	4,518,122
Maple Leaf Foods, Inc.[b]	151,675	2,791,043
Nestlé SA, Registered Shares	37,499	4,444,993
Salmar ASA	84,204	3,715,218
SunOpta, Inc.[a][b]	401,499	2,702,088
Tate & Lyle PLC	342,923	3,352,911
		40,026,153
Hotels, Restaurants & Leisure — 0.3%		
Compass Group PLC	132,203	3,622,919
Machinery — 1.3%		
Ag Growth International, Inc.	75,754	2,798,015
AGCO Corp.	22,321	2,461,560
Deere & Co.	10,145	3,509,967
Epiroc AB, Class A	53,338	936,883
John Bean Technologies Corp.	34,690	3,698,301
Marel HF[c]	563,514	1,843,161
		15,247,887
Metals & Mining — 21.4%		
Agnico Eagle Mines Ltd.	121,688	6,192,418
Alamos Gold, Inc., Class A	241,484	2,981,416
Alcoa Corp.	35,145	1,114,799
Anglo American PLC	135,164	3,723,537

Security	*Shares*	*Value*
Metals & Mining (continued)		
AngloGold Ashanti Ltd., ADR	58,439	$ 1,414,224
Antofagasta PLC	39,851	663,087
ArcelorMittal SA	199,111	4,966,566
Artemis Gold, Inc.[a]	117,513	390,412
Aurubis AG	12,794	981,547
Auteco Minerals Ltd.[a]	4,451,296	87,112
B2Gold Corp.	1,175,383	4,355,194
Barrick Gold Corp.	734,562	12,399,407
Bellevue Gold Ltd.[a]	1,947,640	1,634,979
BHP Group Ltd.	634,768	17,369,226
Blackstone Minerals Ltd.[a][b]	1,592,935	145,099
BlueScope Steel Ltd.	58,276	702,817
Centerra Gold, Inc.	445,047	2,681,757
Chalice Mining Ltd.[a]	347,829	1,586,947
Challenger Gold Ltd.[a][b]	1,731,433	174,470
Champion Iron Ltd.	338,643	1,323,276
Develop Global Ltd.[a][b]	1,193,818	2,719,573
Dundee Precious Metals, Inc.	173,680	1,196,249
Eldorado Gold Corp.[a]	49,920	470,746
Emerald Resources NL[a]	536,194	657,833
Endeavour Mining PLC	219,397	5,782,707
ERO Copper Corp.[a]	130,611	2,161,937
First Quantum Minerals Ltd.	206,075	4,317,328
Foran Mining Corp.[a]	280,973	685,098
Foran Mining Corp. (Acquired 03/20/23, cost $243,769)[a][d]	90,000	215,914
Franco-Nevada Corp.	107,108	15,565,574
Freeport-McMoRan, Inc.	195,919	6,727,858
Fresnillo PLC	89,260	717,929
Glencore PLC	2,194,463	11,222,820
Gold Fields Ltd.	170,392	2,583,396
Gold Fields Ltd., ADR	272,240	4,116,269
Iluka Resources Ltd.	117,468	858,970
Impala Platinum Holdings Ltd.	76,088	610,912
Kinross Gold Corp.	798,426	3,764,218
Lithium Royalty Corp.[a]	87,378	984,169
Lundin Gold, Inc.	150,771	1,910,321
Lundin Mining Corp.	248,335	1,736,058
Lynas Rare Earths Ltd.[a]	347,969	1,698,410
MAG Silver Corp.[a]	125,240	1,521,332
Marathon Gold Corp.[a]	424,656	256,514
Mineral Resources Ltd.	64,474	2,969,889
Newcrest Mining Ltd.	456,681	7,703,788
Newmont Corp.	180,678	7,326,493
Nickel Industries Ltd.	4,373,063	2,545,964
Norsk Hydro ASA	759,080	4,594,200
Northam Platinum Holdings Ltd.[a]	103,026	848,085
Northern Star Resources Ltd.	593,879	5,022,315
Nucor Corp.	30,035	3,966,422
Osisko Gold Royalties Ltd.	121,353	1,926,451
Osisko Mining, Inc.[a]	649,406	1,549,963
Pan American Silver Corp.[b]	157,483	2,398,466
Polymetal International PLC[a]	381,486	879,338
Polyus PJSC[a][e]	46,252	6
Predictive Discovery Ltd.[a]	3,273,423	330,975
Rio Tinto PLC	106,463	6,291,065
Rupert Resources Ltd.[a]	7,770	20,892
Rupert Resources Ltd. (Acquired 02/24/23, cost $315,608)[a][d]	91,372	243,904
Sibanye Stillwater Ltd.	360,486	636,934
Sigma Lithium Corp.[a][b]	143,455	5,401,094
Skeena Resources Ltd.[a]	164,060	874,987

Security	Shares	Value
Metals & Mining (continued)		
Sociedad Minera Cerro Verde SAA	36,219	$ 1,068,461
Solaris Resources, Inc.[a]	145,905	597,592
Solaris Resources, Inc.[a]	39,000	159,735
SSR Mining, Inc.	189,439	2,798,014
Steel Dynamics, Inc.	41,170	3,783,523
Stelco Holdings, Inc.	62,555	1,957,522
Teck Resources Ltd., Class B	204,396	7,978,596
Titan Mining Corp.	131,486	43,587
Titan Mining Corp.[a]	20,773	6,886
Torex Gold Resources, Inc.[a]	116,889	1,827,171
Trident Royalties PLC[a]	1,140,298	718,341
Vale SA, ADR	923,365	11,708,268
Wheaton Precious Metals Corp.	332,604	15,073,148
		240,622,500
Oil, Gas & Consumable Fuels — 16.9%		
ARC Resources Ltd.	196,614	2,369,506
BP PLC	2,441,385	13,715,763
Cameco Corp.[b]	98,429	2,740,263
Canadian Natural Resources Ltd.	158,166	8,520,574
Cenovus Energy, Inc.	306,902	4,903,650
Cheniere Energy, Inc.	42,118	5,886,833
Chevron Corp.	64,812	9,761,983
ConocoPhillips	132,225	13,129,943
Diamondback Energy, Inc.	31,884	4,054,051
Eni SpA	292,903	3,897,588
EOG Resources, Inc.	76,284	8,184,510
Exxon Mobil Corp.	355,863	36,362,081
Gazprom PJSC[e]	712,200	87
Hess Corp.	56,183	7,116,701
Kinder Morgan, Inc.	316,354	5,096,463
Kosmos Energy Ltd.[a]	280,904	1,674,188
Marathon Petroleum Corp.	52,659	5,524,456
Santos Ltd.	451,683	2,138,144
Shell PLC	715,554	19,672,719
TC Energy Corp.	84,204	3,277,598
TotalEnergies SE	247,567	13,970,409
Tourmaline Oil Corp.	81,601	3,411,313
Valero Energy Corp.	47,274	5,060,209
Williams Cos., Inc.	273,017	7,824,667
Woodside Energy Group Ltd.	78,943	1,746,774
		190,040,473
Personal Care Products — 0.3%		
Jamieson Wellness, Inc.[c]	147,806	3,320,871
Pharmaceuticals — 0.4%		
Zoetis, Inc., Class A	25,506	4,157,733
Total Common Stocks — 48.7%		
(Cost: $472,067,042)		548,246,898

Rights

Security	Shares	Value
Metals & Mining — 0.0%		
Kincross Gold Corp., CVR[a][e]	11,812	—
Total Rights — 0.0%		
(Cost: $ —)		—

Warrants[a]

Security	Shares	Value
Beverages — 0.0%		
Flow Beverage Corp. (Issued/Exercisable, 1 Share for 1 Warrant, Expires 06/29/23, Strike Price CAD 10.00)	306,414	1,129
Capital Markets — 0.0%		
Agronomics Ltd. (Issued/Exercisable, 1 Share for 1 Warrant, Expires 06/01/23, Strike Price GBP 0.28)	3,014,355	$ 37
Agronomics Ltd. (Issued/Exercisable, 1 Share for 1 Warrant, Expires 12/08/23, Strike Price GBP 0.30)	3,909,350	49
		86
Metals & Mining — 0.0%		
Titan Mining Corp. (Issued/Exercisable, 1 Share for 1 Warrant, Expires 09/23/23, Strike Price CAD 0.75)	10,387	—
Total Warrants — 0.0%		
(Cost: $1,364,445)		1,215
Total Long-Term Investments — 48.7%		
(Cost: $473,431,487)		548,248,113

Short-Term Securities

Security	Shares	Value
Money Market Funds — 1.9%		
BlackRock Liquidity Funds, T-Fund, Institutional Class, 5.00%[f][g]	7,558,334	7,558,334
SL Liquidity Series, LLC, Money Market Series, 5.32%[f][g][h]	13,698,222	13,698,222
		21,256,556

Security		Par (000)	Value
U.S. Treasury Obligations[i] — 51.7%			
U.S. Treasury Bills			
4.61%, 06/08/23	USD	92,000	91,906,084
4.74%, 07/06/23		92,000	91,567,760
4.83%, 08/10/23		99,000	98,011,392
5.06%, 08/31/23		103,000	101,632,193
4.84%, 10/12/23		103,000	101,008,888
5.20%, 11/16/23		100,000	97,566,217
			581,692,534
Total Short-Term Securities — 53.6%			
(Cost: $603,396,603)			602,949,090
Total Investments — 102.3%			
(Cost: $1,076,828,090)			1,151,197,203
Liabilities in Excess of Other Assets — (2.3)%			(25,351,493)
Net Assets — 100.0%			$ 1,125,845,710

[a] Non-income producing security.
[b] All or a portion of this security is on loan.
[c] Security exempt from registration pursuant to Rule 144A under the Securities Act of 1933, as amended. These securities may be resold in transactions exempt from registration to qualified institutional investors.
[d] Restricted security as to resale, excluding 144A securities. The Fund held restricted securities with a current value of $459,818, representing 0.0% of its net assets as of period end, and an original cost of $559,377.
[e] Security is valued using significant unobservable inputs and is classified as Level 3 in the fair value hierarchy.
[f] Affiliate of the Fund.
[g] Annualized 7-day yield as of period end.
[h] All or a portion of this security was purchased with the cash collateral from loaned securities.
[i] Rates are discount rates or a range of discount rates as of period end.

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Affiliates

Investments in issuers considered to be affiliate(s) of the Fund during the year ended May 31, 2023 for purposes of Section 2(a)(3) of the Investment Company Act of 1940, as amended, were as follows:

Affiliated Issuer	*Value at 05/31/22*	*Purchases at Cost*	*Proceeds from Sale*	*Net Realized Gain (Loss)*	*Change in Unrealized Appreciation (Depreciation)*	*Value at 05/31/23*	*Shares Held at 05/31/23*	*Income*	*Capital Gain Distributions from Underlying Funds*
BlackRock Liquidity Funds, T-Fund, Institutional Class	$ 56,583,646	$ —	$ (49,025,312)[a]	$ —	$ —	$ 7,558,334	7,558,334	$ 472,423	$ —
SL Liquidity Series, LLC, Money Market Series . . .	12,237,871	1,457,265[a]	—	(2,888)	5,974	13,698,222	13,698,222	548,475[b]	—
				$ (2,888)	$ 5,974	$ 21,256,556		$ 1,020,898	$ —

[a] Represents net amount purchased (sold).
[b] All or a portion represents securities lending income earned from the reinvestment of cash collateral from loaned securities, net of fees and collateral investment expenses, and other payments to and from borrowers of securities.

For Fund compliance purposes, the Fund's industry classifications refer to one or more of the industry sub-classifications used by one or more widely recognized market indexes or rating group indexes, and/or as defined by the investment adviser. These definitions may not apply for purposes of this report, which may combine such industry sub-classifications for reporting ease.

Derivative Financial Instruments Outstanding as of Period End

OTC Total Return Swaps

Paid by the Fund		Received by the Fund								
Rate	*Frequency*	*Reference*	*Frequency*	*Counterparty*	*Termination Date*		*Notional Amount (000)*	*Value*	*Upfront Premium Paid (Received)*	*Unrealized Appreciation (Depreciation)*
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMLITR	At Termination	Merrill Lynch International	06/08/23	USD	2,459	$ (30,841)	$ —	$ (30,841)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMAGTR	At Termination	Merrill Lynch International	06/08/23	USD	16,226	(2,835,373)	—	(2,835,373)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMPRTR	At Termination	Societe Generale SA	06/08/23	USD	4,824	112,741	—	112,741
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMPRTR	At Termination	Societe Generale SA	06/30/23	USD	8,875	595,173	—	595,173
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	07/19/23	USD	149,052	(62,558,613)	—	(62,558,613)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	07/19/23	USD	8,939	27,920	—	27,920
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRPRT	At Termination	Societe Generale SA	07/19/23	USD	44,274	6,117,446	—	6,117,446
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMINTR	At Termination	Morgan Stanley & Co. International PLC	08/02/23	USD	2,566	(239,253)	—	(239,253)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMPRTR	At Termination	Morgan Stanley & Co. International PLC	08/02/23	USD	34,824	3,046,553	—	3,046,553
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMAGTR	At Termination	Morgan Stanley & Co. International PLC	09/13/23	USD	993	(94,797)	—	(94,797)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMINTR	At Termination	Societe Generale SA	09/13/23	USD	1,996	(195,882)	—	(195,882)

OTC Total Return Swaps (continued)

Paid by the Fund		Received by the Fund								
Rate	Frequency	Reference	Frequency	Counterparty	Termination Date		Notional Amount (000)	Value	Upfront Premium Paid (Received)	Unrealized Appreciation (Depreciation)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMPRTR	At Termination	Societe Generale SA	09/13/23	USD	2,957	$ 397,040	$ —	$ 397,040
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	09/30/23	USD	811	39,764	—	39,764
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRINT	At Termination	Morgan Stanley & Co. International PLC	09/30/23	USD	328	(12,827)	—	(12,827)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Goldman Sachs International	10/02/23	USD	7,871	1,302,229	—	1,302,229
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	10/02/23	USD	3,430	(1,165,640)	—	(1,165,640)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMENTR	At Termination	JPMorgan Chase Bank N.A.	10/10/23	USD	10,484	(4,305,472)	—	(4,305,472)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMLITR	At Termination	Morgan Stanley & Co. International PLC	10/10/23	USD	1,012	(7,312)	—	(7,312)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMAGTR	At Termination	Morgan Stanley & Co. International PLC	10/10/23	USD	2,526	(226,643)	—	(226,643)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMPRTR	At Termination	Societe Generale SA	10/10/23	USD	1,437	221,421	—	221,421
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Goldman Sachs International	10/31/23	USD	4,388	794,406	—	794,406
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	10/31/23	USD	1,100	(9,999)	—	(9,999)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMPRTR	At Termination	Merrill Lynch International	11/03/23	USD	1,768	321,714	—	321,714
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMAGTR	At Termination	Morgan Stanley & Co. International PLC	11/03/23	USD	33,592	(2,389,530)	—	(2,389,530)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMINTR	At Termination	Morgan Stanley & Co. International PLC	11/03/23	USD	3,437	(116,887)	—	(116,887)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Goldman Sachs International	11/30/23	USD	74,614	(6,579,598)	—	(6,579,598)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	11/30/23	USD	7,078	(2,647,734)	—	(2,647,734)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	11/30/23	USD	4,192	(36,382)	—	(36,382)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRINT	At Termination	Morgan Stanley & Co. International PLC	11/30/23	USD	10,263	(1,381,754)	—	(1,381,754)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Societe Generale SA	11/30/23	USD	3,007	277,977	—	277,977
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Morgan Stanley & Co. International PLC	01/04/24	USD	492	(33,944)	—	(33,944)

OTC Total Return Swaps (continued)

Paid by the Fund		Received by the Fund							
Rate	*Frequency*	*Reference*	*Frequency*	*Counterparty*	*Termination Date*	*Notional Amount (000)*	*Value*	*Upfront Premium Paid (Received)*	*Unrealized Appreciation (Depreciation)*
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRINT	At Termination	Morgan Stanley & Co. International PLC	01/04/24	USD 11,772	$ (1,590,093)	$ —	$ (1,590,093)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	01/08/24	USD 863	(17,467)	—	(17,467)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Societe Generale SA	01/08/24	USD 4,395	80,559	—	80,559
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	01/31/24	USD 18,477	(3,429,892)	—	(3,429,892)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Morgan Stanley & Co. International PLC	01/31/24	USD 3,037	(331,039)	—	(331,039)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRINT	At Termination	Morgan Stanley & Co. International PLC	01/31/24	USD 10,404	(2,204,537)	—	(2,204,537)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	02/02/24	USD 4,658	(121,880)	—	(121,880)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Societe Generale SA	02/08/24	USD 1,723	54,759	—	54,759
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	02/26/24	USD 7,355	(1,036,016)	—	(1,036,016)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Morgan Stanley & Co. International PLC	02/26/24	USD 35,885	(3,354,907)	—	(3,354,907)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	02/26/24	USD 1,914	(67,333)	—	(67,333)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRINT	At Termination	Morgan Stanley & Co. International PLC	02/28/24	USD 22,581	(2,919,366)	—	(2,919,366)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMINTR	At Termination	Morgan Stanley & Co. International PLC	03/11/24	USD 4,957	(508,467)	—	(508,467)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Merrill Lynch International	03/14/24	USD 15,095	(1,039,706)	—	(1,039,706)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Merrill Lynch International	03/14/24	USD 1,795	(30,457)	—	(30,457)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	JPMorgan Chase Bank N.A.	04/01/24	USD 6,019	(89,405)	—	(89,405)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRAGT	At Termination	Morgan Stanley & Co. International PLC	04/01/24	USD 19,937	(1,453,213)	—	(1,453,213)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRLIT	At Termination	Morgan Stanley & Co. International PLC	04/01/24	USD 3,250	(26,773)	—	(26,773)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRPRT	At Termination	Goldman Sachs International	04/03/24	USD 1,607	(31,081)	—	(31,081)
3-month U.S. Treasury Bill, 5.42%[(a)]	At Termination	BCOMRENT	At Termination	JPMorgan Chase Bank N.A.	04/29/24	USD 6,021	(407,452)	—	(407,452)

OTC Total Return Swaps (continued)

Paid by the Fund		Received by the Fund								
Rate	*Frequency*	*Reference*	*Frequency*	*Counterparty*	*Termination Date*		*Notional Amount (000)*	*Value*	*Upfront Premium Paid (Received)*	*Unrealized Appreciation (Depreciation)*
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRLIT	At Termination	JPMorgan Chase Bank N.A.	05/02/24	USD	991	$ (2,589)	$ —	$ (2,589)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRAGT	At Termination	JPMorgan Chase Bank N.A.	05/02/24	USD	1,984	(80,665)	—	(80,665)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRPRT	At Termination	JPMorgan Chase Bank N.A.	05/02/24	USD	2,032	(81,685)	—	(81,685)
3-month U.S. Treasury Bill, 5.42%[a]	At Termination	BCOMRINT	At Termination	JPMorgan Chase Bank N.A.	05/02/24	USD	1,996	(180,312)	—	(180,312)
								$ (90,483,114)	$ —	$ (90,483,114)

[a] All or a portion of the security is held by a wholly-owned subsidiary. See Note 1 of the Notes to Consolidated Financial Statements for details on the wholly-owned subsidiary.

Balances Reported in the Consolidated Statement of Assets and Liabilities for OTC Swaps

	Swap Premiums Paid	*Swap Premiums Received*	*Unrealized Appreciation*	*Unrealized Depreciation*
OTC Swaps	$ —	$ —	$ 13,389,702	$ (103,872,816)

Derivative Financial Instruments Categorized by Risk Exposure

As of period end, the fair values of derivative financial instruments located in the Consolidated Statement of Assets and Liabilities were as follows:

	Commodity Contracts	*Credit Contracts*	*Equity Contracts*	*Foreign Currency Exchange Contracts*	*Interest Rate Contracts*	*Other Contracts*	*Total*
Assets — Derivative Financial Instruments							
Swaps — OTC							
Unrealized appreciation on OTC swaps; Swap premiums paid	$ 13,389,702	$ —	$ —	$ —	$ —	$ —	$ 13,389,702
Liabilities — Derivative Financial Instruments							
Swaps — OTC							
Unrealized depreciation on OTC swaps; Swap premiums received	$ 103,872,816	$ —	$ —	$ —	$ —	$ —	$ 103,872,816

For the period ended May 31, 2023, the effect of derivative financial instruments in the Consolidated Statement of Operations was as follows:

	Commodity Contracts	*Credit Contracts*	*Equity Contracts*	*Foreign Currency Exchange Contracts*	*Interest Rate Contracts*	*Other Contracts*	*Total*
Net Realized Gain (Loss) from							
Swaps	$ 49,746,357	$ —	$ —	$ —	$ —	$ —	$ 49,746,357
Net Change in Unrealized Appreciation (Depreciation) on							
Swaps	$ (323,423,860)	$ —	$ —	$ —	$ —	$ —	$ (323,423,860)

Average Quarterly Balances of Outstanding Derivative Financial Instruments

Total return swaps	
Average notional amount	$830,112,596

For more information about the Fund's investment risks regarding derivative financial instruments, refer to the Notes to Consolidated Financial Statements.

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Derivative Financial Instruments – Offsetting as of Period End

The Fund's derivative assets and liabilities (by type) were as follows:

	Assets	*Liabilities*
Derivative Financial Instruments		
Swaps — OTC[a]	$ 13,389,702	$ 103,872,816
Total derivative assets and liabilities in the Consolidated Statement of Assets and Liabilities	$ 13,389,702	$ 103,872,816
Derivatives not subject to a Master Netting Agreement or similar agreement ("MNA")	—	—
Total derivative assets and liabilities subject to an MNA	$ 13,389,702	$ 103,872,816

[a] Includes unrealized appreciation (depreciation) on OTC swaps and swap premiums (paid/received) in the Consolidated Statement of Assets and Liabilities.

The following tables present the Fund's derivative assets and liabilities by counterparty net of amounts available for offset under an MNA and net of the related collateral received and pledged by the Fund:

Counterparty	*Derivative Assets Subject to an MNA by Counterparty*	*Derivatives Available for Offset*[a]	*Non-Cash Collateral Received*[b]	*Cash Collateral Received*[b]	*Net Amount of Derivative Assets*[c]
Goldman Sachs International[d]	$ 2,096,635	$ (2,096,635)	$ —	$ —	$ —
Merrill Lynch International[d]	321,714	(321,714)	—	—	—
Morgan Stanley & Co. International PLC[d]	3,114,237	(3,114,237)	—	—	—
Societe Generale SA[d]	7,857,116	(195,882)	—	(6,900,000)	761,234
	$ 13,389,702	$ (5,728,468)	$ —	$ (6,900,000)	$ 761,234

Counterparty	*Derivative Liabilities Subject to an MNA by Counterparty*	*Derivatives Available for Offset*[a]	*Non-Cash Collateral Pledged*[b]	*Cash Collateral Pledged*[b]	*Net Amount of Derivative Liabilities*[e]
Goldman Sachs International[d]	$ 6,610,679	$ (2,096,635)	$ —	$ (4,430,000)	$ 84,044
JPMorgan Chase Bank N.A.[d]	75,985,475	—	—	(75,985,475)	—
Merrill Lynch International[d]	3,936,377	(321,714)	—	(3,614,663)	—
Morgan Stanley & Co. International PLC[d]	17,144,403	(3,114,237)	—	(14,030,166)	—
Societe Generale SA[d]	195,882	(195,882)	—	—	—
	$ 103,872,816	$ (5,728,468)	$ —	$ (98,060,304)	$ 84,044

[a] The amount of derivatives available for offset is limited to the amount of derivative assets and/or liabilities that are subject to an MNA.
[b] Excess of collateral received/pledged, if any, from the individual counterparty is not shown for financial reporting purposes.
[c] Net amount represents the net amount receivable from the counterparty in the event of default.
[d] Represents derivatives owned by the BlackRock Cayman Commodity Strategies Fund, Ltd., a wholly-owed subsidiary of the Fund. See Note 1 of the Notes to Consolidated Financial Statements.
[e] Net amount represents the net amount payable due to the counterparty in the event of default.

Fair Value Hierarchy as of Period End

Various inputs are used in determining the fair value of financial instruments. For a description of the input levels and information about the Fund's policy regarding valuation of financial instruments, refer to the Notes to Consolidated Financial Statements.

The following table summarizes the Fund's financial instruments categorized in the fair value hierarchy. The breakdown of the Fund's financial instruments into major categories is disclosed in the Consolidated Schedule of Investments above.

	Level 1	*Level 2*	*Level 3*	*Total*
Assets				
Investments				
Long-Term Investments				
Common Stocks				
Biotechnology	$ 540,679	$ —	$ —	$ 540,679
Capital Markets	2,126,014	—	—	2,126,014
Chemicals	18,966,179	1,688,530	—	20,654,709
Consumer Staples Distribution & Retail	3,943,256	4,017,704	—	7,960,960

Fair Value Hierarchy as of Period End (continued)

	Level 1	*Level 2*	*Level 3*	*Total*
Common Stocks (continued)				
Containers & Packaging	$ 6,531,361	$ 4,246,385	$ —	$ 10,777,746
Energy Equipment & Services	7,343,364	1,804,890	—	9,148,254
Food Products	18,449,588	21,576,565	—	40,026,153
Hotels, Restaurants & Leisure	—	3,622,919	—	3,622,919
Machinery	14,311,004	936,883	—	15,247,887
Metals & Mining	153,874,740	86,747,754	6	240,622,500
Oil, Gas & Consumable Fuels	134,898,989	55,141,397	87	190,040,473
Personal Care Products	3,320,871	—	—	3,320,871
Pharmaceuticals	4,157,733	—	—	4,157,733
Rights	—	—	—	—
Warrants				
Beverages	1,129	—	—	1,129
Capital Markets	—	86	—	86
Metals & Mining	—	—	—	—
Short-Term Securities				
Money Market Funds	7,558,334	—	—	7,558,334
U.S. Treasury Obligations	—	581,692,534	—	581,692,534
Unfunded SPAC PIPE Commitments[a]	—	—	—	—
	$ 376,023,241	$ 761,475,647	$ 93	1,137,498,981
Investments valued at NAV[b]				13,698,222
				$ 1,151,197,203
Derivative Financial Instruments[c]				
Assets				
Commodity Contracts	$ —	$ 13,389,702	$ —	$ 13,389,702
Liabilities				
Commodity Contracts	—	(103,872,816)	—	(103,872,816)
	$ —	$ (90,483,114)	$ —	$ (90,483,114)

[a] Unfunded SPAC PIPE commitments are valued at the unrealized appreciation (depreciation) on the commitment.
[b] Certain investments of the Fund were fair valued using NAV as a practical expedient as no quoted market value is available and therefore have been excluded from the fair value hierarchy.
[c] Derivative financial instruments are swaps. Swaps are valued at the unrealized appreciation (depreciation) on the instrument.

See notes to consolidated financial statements.

Consolidated Statement of Assets and Liabilities

May 31, 2023

	BlackRock Commodity Strategies Fund
ASSETS	
Investments, at value — unaffiliated[(a)(b)]	$ 1,129,940,647
Investments, at value — affiliated[(c)]	21,256,556
Cash pledged:	
Collateral — OTC derivatives	100,150,000
Receivables:	
Investments sold	4,735,183
Securities lending income — affiliated	34,386
Capital shares sold	1,762,943
Dividends — unaffiliated	2,318,626
Dividends — affiliated	31,864
From the Manager	194,349
Unrealized appreciation on OTC swaps	13,389,702
Prepaid expenses	63,819
Total assets	1,273,878,075
LIABILITIES	
Bank overdraft	6,435,342
Foreign bank overdraft[(d)]	71,013
Cash received:	
Collateral — OTC derivatives	6,900,000
Collateral on securities loaned	13,697,546
Payables:	
Investments purchased	8,282,425
Swaps	3,287,024
Administration fees	86,349
Capital shares redeemed	3,553,239
Deferred foreign capital gain tax	14,090
Investment advisory fees	1,211,142
Trustees' and Officer's fees	4,679
Other accrued expenses	511,975
Professional fees	49,850
Service and distribution fees	54,875
Unrealized depreciation on OTC swaps	103,872,816
Total liabilities	148,032,365
NET ASSETS	$ 1,125,845,710
NET ASSETS CONSIST OF:	
Paid-in capital	$ 1,344,079,632
Accumulated loss	(218,233,922)
NET ASSETS	$ 1,125,845,710
[(a)] Investments, at cost — unaffiliated	$ 1,055,579,636
[(b)] Securities loaned, at value	$ 13,101,509
[(c)] Investments, at cost — affiliated	$ 21,248,454
[(d)] Foreign bank overdraft, at cost	$ 70,449

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Consolidated Statement of Assets and Liabilities (continued)

May 31, 2023

	BlackRock Commodity Strategies Fund
NET ASSET VALUE	
Institutional	
Net assets	$ 837,334,363
Shares outstanding	97,176,351
Net asset value	$ 8.62
Shares authorized	Unlimited
Par value	$ 0.001
Investor A	
Net assets	$ 120,674,203
Shares outstanding	14,144,034
Net asset value	$ 8.53
Shares authorized	Unlimited
Par value	$ 0.001
Investor C	
Net assets	$ 29,757,732
Shares outstanding	3,659,198
Net asset value	$ 8.13
Shares authorized	Unlimited
Par value	$ 0.001
Class K	
Net assets	$ 138,079,412
Shares outstanding	16,013,066
Net asset value	$ 8.62
Shares authorized	Unlimited
Par value	$ 0.001

See notes to consolidated financial statements.

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Consolidated Statement of Operations

Year Ended May 31, 2023

	BlackRock Commodity Strategies Fund
INVESTMENT INCOME	
Dividends — unaffiliated	$ 30,790,298
Dividends — affiliated	472,423
Interest — unaffiliated	24,235,310
Securities lending income — affiliated — net	548,475
Foreign taxes withheld	(1,957,300)
Total investment income	54,089,206
EXPENSES	
Investment advisory	10,546,866
Transfer agent — class specific	1,885,618
Service and distribution — class specific	769,685
Administration	691,877
Administration — class specific	350,795
Registration	252,313
Custodian	160,344
Accounting services	131,291
Professional	126,336
Printing and postage	50,635
Trustees and Officer	25,703
Miscellaneous	51,729
Total expenses	15,043,192
Less:	
Administration fees waived by the Manager — class specific	(350,335)
Fees waived and/or reimbursed by the Manager	(329,049)
Transfer agent fees waived and/or reimbursed by the Manager — class specific	(1,120,069)
Total expenses after fees waived and/or reimbursed	13,243,739
Net investment income	40,845,467
REALIZED AND UNREALIZED GAIN (LOSS)	
Net realized gain (loss) from:	
Investments — unaffiliated[(a)]	(52,971,816)
Investments — affiliated	(2,888)
Foreign currency transactions	(270,995)
Swaps	49,746,357
	(3,499,342)
Net change in unrealized appreciation (depreciation) on:	
Investments — unaffiliated[(b)]	(98,445,067)
Investments — affiliated	5,974
Foreign currency translations	2,721
Swaps	(323,423,860)
	(421,860,232)
Net realized and unrealized loss	(425,359,574)
NET DECREASE IN NET ASSETS RESULTING FROM OPERATIONS	$ (384,514,107)
[(a)] Net of foreign capital gain tax of	$(320)
[(b)] Net of increase in deferred foreign capital gain tax of	(14,090)

See notes to consolidated financial statements.

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Consolidated Statements of Changes in Net Assets

	BlackRock Commodity Strategies Fund	
	Year Ended 05/31/23	Year Ended 05/31/22
INCREASE (DECREASE) IN NET ASSETS		
OPERATIONS		
Net investment income	$ 40,845,467	$ 15,534,503
Net realized gain (loss)	(3,499,342)	143,115,453
Net change in unrealized appreciation (depreciation)	(421,860,232)	270,269,565
Net increase (decrease) in net assets resulting from operations	(384,514,107)	428,919,521
DISTRIBUTIONS TO SHAREHOLDERS[(a)]		
Institutional	(140,578,102)	(29,088,688)
Investor A	(16,226,823)	(3,302,095)
Investor C	(3,106,978)	(383,038)
Class K	(24,906,279)	(2,408,554)
Decrease in net assets resulting from distributions to shareholders	(184,818,182)	(35,182,375)
CAPITAL SHARE TRANSACTIONS		
Net increase (decrease) in net assets derived from capital share transactions	(957,833,933)	1,055,217,138
NET ASSETS		
Total increase (decrease) in net assets	(1,527,166,222)	1,448,954,284
Beginning of year	2,653,011,932	1,204,057,648
End of year	$ 1,125,845,710	$ 2,653,011,932

[(a)] Distributions for annual periods determined in accordance with U.S. federal income tax regulations.

See notes to consolidated financial statements.

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Consolidated Financial Highlights

(For a share outstanding throughout each period)

	BlackRock Commodity Strategies Fund					
	Institutional					
	Year Ended 05/31/23	Year Ended 05/31/22	Year Ended 05/31/21	Period from 08/01/19 to 05/31/20	Year Ended 07/31/19	Year Ended 07/31/18
Net asset value, beginning of period	$ 11.33	$ 9.22	$ 6.33	$ 7.18	$ 7.82	$ 7.43
Net investment income[(a)]	0.22	0.09	0.07	0.09	0.14[(b)]	0.07
Net realized and unrealized gain (loss)	(2.08)	2.27	2.88	(0.79)	(0.64)	0.37
Net increase (decrease) from investment operations	(1.86)	2.36	2.95	(0.70)	(0.50)	0.44
Distributions from net investment income[(c)]	(0.85)	(0.25)	(0.06)	(0.15)	(0.14)	(0.05)
Net asset value, end of period	$ 8.62	$ 11.33	$ 9.22	$ 6.33	$ 7.18	$ 7.82
Total Return[(d)]						
Based on net asset value	(16.46)%	26.31%	46.93%	(9.96)%[(e)]	(6.34)%	5.97%
Ratios to Average Net Assets[(f)]						
Total expenses	0.83%	0.82%	0.90%	1.04%[(g)]	1.01%	1.14%
Total expenses after fees waived and/or reimbursed	0.72%	0.72%	0.72%	0.72%[(g)]	0.72%	0.88%
Net investment income	2.37%	0.95%	0.90%	1.61%[(g)]	1.90%[(b)]	0.90%
Supplemental Data						
Net assets, end of period (000)	$ 837,334	$ 2,061,348	$ 862,528	$ 104,275	$ 145,239	$ 200,786
Portfolio turnover rate	78%	91%[(h)]	58%	72%	76%	110%

(a) Based on average shares outstanding.
(b) Net investment income per share and the ratio of net investment income to average net assets includes $0.01 per share and 0.13%, respectively, resulting from a special dividend.
(c) Distributions for annual periods determined in accordance with U.S. federal income tax regulations.
(d) Where applicable, assumes the reinvestment of distributions.
(e) Not annualized.
(f) Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.
(g) Annualized.
(h) Portfolio turnover rate excludes in-kind transactions.

See notes to consolidated financial statements.

Consolidated Financial Highlights (continued)

(For a share outstanding throughout each period)

	BlackRock Commodity Strategies Fund (continued)					
	Investor A					
	Year Ended 05/31/23	Year Ended 05/31/22	Year Ended 05/31/21	Period from 08/01/19 to 05/31/20	Year Ended 07/31/19	Year Ended 07/31/18
Net asset value, beginning of period	$ 11.23	$ 9.14	$ 6.28	$ 7.12	$ 7.74	$ 7.36
Net investment income[(a)]	0.20	0.07	0.05	0.08	0.12[(b)]	0.06
Net realized and unrealized gain (loss)	(2.07)	2.25	2.86	(0.79)	(0.63)	0.36
Net increase (decrease) from investment operations	(1.87)	2.32	2.91	(0.71)	(0.51)	0.42
Distributions from net investment income[(c)]	(0.83)	(0.23)	(0.05)	(0.13)	(0.11)	(0.04)
Net asset value, end of period	$ 8.53	$ 11.23	$ 9.14	$ 6.28	$ 7.12	$ 7.74
Total Return[(d)]						
Based on net asset value	(16.76)%	26.06%	46.53%	(10.18)%[(e)]	(6.50)%	5.69%
Ratios to Average Net Assets[(f)]						
Total expenses	1.07%	1.13%	1.18%	1.40%[(g)]	1.38%	1.55%
Total expenses after fees waived and/or reimbursed	0.97%	0.97%	0.97%	0.97%[(g)]	0.97%	1.11%
Net investment income	2.15%	0.68%	0.62%	1.38%[(g)]	1.68%[(b)]	0.73%
Supplemental Data						
Net assets, end of period (000)	$ 120,674	$ 236,887	$ 127,923	$ 23,628	$ 33,853	$ 56,622
Portfolio turnover rate	78%	91%[(h)]	58%	72%	76%	110%

(a) Based on average shares outstanding.
(b) Net investment income per share and the ratio of net investment income to average net assets includes $0.01 per share and 0.13%, respectively, resulting from a special dividend.
(c) Distributions for annual periods determined in accordance with U.S. federal income tax regulations.
(d) Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
(e) Not annualized.
(f) Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.
(g) Annualized.
(h) Portfolio turnover rate excludes in-kind transactions.

See notes to consolidated financial statements.

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Consolidated Financial Highlights (continued)

(For a share outstanding throughout each period)

	BlackRock Commodity Strategies Fund (continued)					
	Investor C					
	Year Ended 05/31/23	Year Ended 05/31/22	Year Ended 05/31/21	Period from 08/01/19 to 05/31/20	Year Ended 07/31/19	Year Ended 07/31/18
Net asset value, beginning of period	$ 10.75	$ 8.78	$ 6.04	$ 6.84	$ 7.45	$ 7.10
Net investment income (loss)[a]	0.13	(0.00)[b]	(0.01)	0.03	0.06[c]	(0.00)[b]
Net realized and unrealized gain (loss)	(1.98)	2.15	2.75	(0.76)	(0.60)	0.35
Net increase (decrease) from investment operations	(1.85)	2.15	2.74	(0.73)	(0.54)	0.35
Distributions from net investment income[d]	(0.77)	(0.18)	(0.00)[b]	(0.07)	(0.07)	—
Net asset value, end of period	$ 8.13	$ 10.75	$ 8.78	$ 6.04	$ 6.84	$ 7.45
Total Return[e]						
Based on net asset value	(17.34)%	25.06%	45.48%	(10.80)%[f]	(7.19)%	4.93%
Ratios to Average Net Assets[g]						
Total expenses	1.80%	1.81%	1.96%	2.07%[h]	2.11%	2.20%
Total expenses after fees waived and/or reimbursed	1.72%	1.72%	1.72%	1.72%[h]	1.72%	1.87%
Net investment income (loss)	1.49%	(0.04)%	(0.15)%	0.63%[h]	0.92%[c]	(0.05)%
Supplemental Data						
Net assets, end of period (000)	$ 29,758	$ 42,138	$ 16,246	$ 4,255	$ 5,832	$ 7,562
Portfolio turnover rate	78%	91%[i]	58%	72%	76%	110%

[a] Based on average shares outstanding.
[b] Amount is greater than $(0.005) per share.
[c] Net investment income per share and the ratio of net investment income to average net assets includes $0.01 per share and 0.13%, respectively, resulting from a special dividend.
[d] Distributions for annual periods determined in accordance with U.S. federal income tax regulations.
[e] Where applicable, excludes the effects of any sales charges and assumes the reinvestment of distributions.
[f] Not annualized.
[g] Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.
[h] Annualized.
[i] Portfolio turnover rate excludes in-kind transactions.

See notes to consolidated financial statements.

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(For a share outstanding throughout each period)

	BlackRock Commodity Strategies Fund (continued)					
	Class K					
	Year Ended 05/31/23	Year Ended 05/31/22	Year Ended 05/31/21	Period from 08/01/19 to 05/31/20	Year Ended 07/31/19	Period from 01/25/18[a] to 7/31/18
Net asset value, beginning of period	$ 11.34	$ 9.22	$ 6.34	$ 7.19	$ 7.83	$ 8.27
Net investment income[b]	0.23	0.10	0.06	0.09	0.14[c]	0.07
Net realized and unrealized gain (loss)	(2.09)	2.27	2.89	(0.79)	(0.63)	(0.51)
Net increase (decrease) from investment operations	(1.86)	2.37	2.95	(0.70)	(0.49)	(0.44)
Distributions from net investment income[d]	(0.86)	(0.25)	(0.07)	(0.15)	(0.15)	—
Net asset value, end of period	$ 8.62	$ 11.34	$ 9.22	$ 6.34	$ 7.19	$ 7.83
Total Return[e]						
Based on net asset value	(16.48)%	26.47%	46.76%	(9.90)%[f]	(6.28)%	(5.32)%[f]
Ratios to Average Net Assets[g]						
Total expenses	0.72%	0.72%	0.80%	0.95%[h]	0.96%	0.92%[h][i]
Total expenses after fees waived and/or reimbursed	0.67%	0.67%	0.67%	0.67%[h]	0.67%	0.74%[h][i]
Net investment income	2.42%	1.02%	0.76%	1.60%[h]	1.97%[c]	1.80%[h]
Supplemental Data						
Net assets, end of period (000)	$ 138,079	$ 312,639	$ 197,360	$ 25,283	$ 22,520	$ 22,750
Portfolio turnover rate	78%	91%[j]	58%	72%	76%	110%

(a) Commencement of operations.
(b) Based on average shares outstanding.
(c) Net investment income per share and the ratio of net investment income to average net assets includes $0.01 per share and 0.13%, respectively, resulting from a special dividend.
(d) Distributions for annual periods determined in accordance with U.S. federal income tax regulations.
(e) Where applicable, assumes the reinvestment of distributions.
(f) Not annualized.
(g) Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.
(h) Annualized.
(i) Offering and board realignment and consolidation costs were not annualized in the calculation of the expense ratios. If these expenses were annualized, the total expenses and total expenses after fees waived and/or reimbursed would have been 0.93% and 0.76%, respectively.
(j) Portfolio turnover rate excludes in-kind transactions.

See notes to consolidated financial statements.

1. ORGANIZATION

BlackRock Funds℠ (the "Trust") is registered under the Investment Company Act of 1940, as amended (the "1940 Act"), as an open-end management investment company. The Trust is organized as a Massachusetts business trust. BlackRock Commodity Strategies Fund (the "Fund") is a series of the Trust. The Fund is classified as diversified.

The Fund offers multiple classes of shares. All classes of shares have identical voting, dividend, liquidation and other rights and are subject to the same terms and conditions, except that certain classes bear expenses related to the shareholder servicing and distribution of such shares. Institutional and Class K Shares are sold only to certain eligible investors. Investor A and Investor C Shares bear certain expenses related to shareholder servicing of such shares, and Investor C Shares also bear certain expenses related to the distribution of such shares. Investor A and Investor C Shares are generally available through financial intermediaries. Each class has exclusive voting rights with respect to matters relating to its shareholder servicing and distribution expenditures (except that Investor C shareholders may vote on material changes to the Investor A Shares distribution and service plan).

Share Class	*Initial Sales Charge*	*CDSC*	*Conversion Privilege*
Institutional and Class K Shares	No	No	None
Investor A Shares	Yes	No[a]	None
Investor C Shares	No	Yes[b]	To Investor A Shares after approximately 8 years

[a] Investor A Shares may be subject to a contingent deferred sales charge ("CDSC") for certain redemptions where no initial sales charge was paid at the time of purchase.
[b] A CDSC of 1.00% is assessed on certain redemptions of Investor C Shares made within one year after purchase.

The Fund, together with certain other registered investment companies advised by BlackRock Advisors, LLC (the "Manager") or its affiliates, is included in a complex of funds referred to as the BlackRock Multi-Asset Complex.

Basis of Consolidation: The accompanying consolidated financial statements of the Fund include the accounts of BlackRock Cayman Commodity Strategies Fund, Ltd. (the "Subsidiary"), which is a wholly-owned subsidiary of the Fund and primarily invests in commodity-related instruments and other derivatives. The Subsidiary enables the Fund to hold these commodity-related instruments and satisfy regulated investment company tax requirements. The Fund may invest up to 25% of its total assets in the Subsidiary. The net assets of the Subsidiary as of period end were $84,479,516, which is 7.5% of the Fund's consolidated net assets. Intercompany accounts and transactions, if any, have been eliminated. The Subsidiary is subject to the same investment policies and restrictions that apply to the Fund, except that the Subsidiary may invest without limitation in commodity-related instruments.

2. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements are prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"), which may require management to make estimates and assumptions that affect the reported amounts of assets and liabilities in the consolidated financial statements, disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates. The Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies. Below is a summary of significant accounting policies:

Investment Transactions and Income Recognition: For financial reporting purposes, investment transactions are recorded on the dates the transactions are executed. Realized gains and losses on investment transactions are determined using the specific identification method. Dividend income and capital gain distributions, if any, are recorded on the ex-dividend dates. Non-cash dividends, if any, are recorded on the ex-dividend dates at fair value. Dividends from foreign securities where the ex-dividend dates may have passed are subsequently recorded when the Fund is informed of the ex-dividend dates. Under the applicable foreign tax laws, a withholding tax at various rates may be imposed on capital gains, dividends and interest. Interest income, including amortization and accretion of premiums and discounts on debt securities, is recognized daily on an accrual basis. Income, expenses and realized and unrealized gains and losses are allocated daily to each class based on its relative net assets.

Foreign Currency Translation: The Fund's books and records are maintained in U.S. dollars. Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates determined as of the close of trading on the New York Stock Exchange ("NYSE"). Purchases and sales of investments are recorded at the rates of exchange prevailing on the respective dates of such transactions. Generally, when the U.S. dollar rises in value against a foreign currency, the investments denominated in that currency will lose value; the opposite effect occurs if the U.S. dollar falls in relative value.

The Fund does not isolate the effect of fluctuations in foreign exchange rates from the effect of fluctuations in the market prices of investments for financial reporting purposes. Accordingly, the effects of changes in exchange rates on investments are not segregated in the Consolidated Statement of Operations from the effects of changes in market prices of those investments, but are included as a component of net realized and unrealized gain (loss) from investments. The Fund reports realized currency gains (losses) on foreign currency related transactions as components of net realized gain (loss) for financial reporting purposes, whereas such components are generally treated as ordinary income for U.S. federal income tax purposes.

Foreign Taxes: The Fund may be subject to foreign taxes (a portion of which may be reclaimable) on income, stock dividends, capital gains on investments, or certain foreign currency transactions. All foreign taxes are recorded in accordance with the applicable foreign tax regulations and rates that exist in the foreign jurisdictions in which the Fund invests. These foreign taxes, if any, are paid by the Fund and are reflected in its Consolidated Statement of Operations as follows: foreign taxes withheld at source are presented as a reduction of income, foreign taxes on securities lending income are presented as a reduction of securities lending income, foreign taxes on stock dividends are presented as "Foreign taxes withheld", and foreign taxes on capital gains from sales of investments and foreign taxes on foreign currency transactions are included in their respective net realized gain (loss) categories. Foreign taxes payable or deferred as of May 31, 2023, if any, are disclosed in the Consolidated Statement of Assets and Liabilities.

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The Fund files withholding tax reclaims in certain jurisdictions to recover a portion of amounts previously withheld. The Fund may record a reclaim receivable based on collectability, which includes factors such as the jurisdiction's applicable laws, payment history and market convention. The Consolidated Statement of Operations includes tax reclaims recorded as well as professional and other fees, if any, associated with recovery of foreign withholding taxes.

Collateralization: If required by an exchange or counterparty agreement, the Fund may be required to deliver/deposit cash and/or securities to/with an exchange, or broker-dealer or custodian as collateral for certain investments.

Distributions: Distributions paid by the Fund are recorded on the ex-dividend dates. The character and timing of distributions are determined in accordance with U.S. federal income tax regulations, which may differ from U.S. GAAP.

Net income and realized gains from investments held by the Subsidiary are treated as ordinary income for tax purposes. If a net loss is realized by the Subsidiary in any taxable year, the loss will generally not be available to offset the Fund's ordinary income and/or capital gains for that year.

Indemnifications: In the normal course of business, the Fund enters into contracts that contain a variety of representations that provide general indemnification. The Fund's maximum exposure under these arrangements is unknown because it involves future potential claims against the Fund, which cannot be predicted with any certainty.

Other: Expenses directly related to the Fund or its classes are charged to the Fund or the applicable class. Expenses directly related to the Fund and other shared expenses prorated to the Fund are allocated daily to each class based on its relative net assets or other appropriate methods. Other operating expenses shared by several funds, including other funds managed by the Manager, are prorated among those funds on the basis of relative net assets or other appropriate methods.

The Fund has an arrangement with its custodian whereby credits are earned on uninvested cash balances, which could be used to reduce custody fees and/or overdraft charges. The Fund may incur charges on overdrafts, subject to certain conditions.

3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

Investment Valuation Policies: The Fund's investments are valued at fair value (also referred to as "market value" within the consolidated financial statements) each day that the Fund is open for business and, for financial reporting purposes, as of the report date. U.S. GAAP defines fair value as the price a fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. The Board of Trustees of the Trust (the "Board") has approved the designation of the Fund's Manager as the valuation designee for the Fund. The Fund determines the fair values of its financial instruments using various independent dealers or pricing services under the Manager's policies. If a security's market price is not readily available or does not otherwise accurately represent the fair value of the security, the security will be valued in accordance with the Manager's policies and procedures as reflecting fair value. The Manager has formed a committee (the "Valuation Committee") to develop pricing policies and procedures and to oversee the pricing function for all financial instruments, with assistance from other BlackRock pricing committees.

Fair Value Inputs and Methodologies: The following methods and inputs are used to establish the fair value of the Fund's assets and liabilities:

- Equity investments traded on a recognized securities exchange are valued at that day's official closing price, as applicable, on the exchange where the stock is primarily traded. Equity investments traded on a recognized exchange for which there were no sales on that day may be valued at the last available bid (long positions) or ask (short positions) price.
- Fixed-income investments for which market quotations are readily available are generally valued using the last available bid price or current market quotations provided by independent dealers or third-party pricing services. Pricing services generally value fixed-income securities assuming orderly transactions of an institutional round lot size, but a fund may hold or transact in such securities in smaller, odd lot sizes. Odd lots may trade at lower prices than institutional round lots. The pricing services may use matrix pricing or valuation models that utilize certain inputs and assumptions to derive values, including transaction data (e.g., recent representative bids and offers), market data, credit quality information, perceived market movements, news, and other relevant information. Certain fixed-income securities, including asset-backed and mortgage related securities may be valued based on valuation models that consider the estimated cash flows of each tranche of the entity, establish a benchmark yield and develop an estimated tranche specific spread to the benchmark yield based on the unique attributes of the tranche. The amortized cost method of valuation may be used with respect to debt obligations with sixty days or less remaining to maturity unless the Manager determines such method does not represent fair value.
- Investments in open-end U.S. mutual funds (including money market funds) are valued at that day's published net asset value ("NAV").
- The Fund values its investment in SL Liquidity Series, LLC, Money Market Series (the "Money Market Series") at fair value, which is ordinarily based upon its pro rata ownership in the underlying fund's net assets.
- Swap agreements are valued utilizing quotes received daily by independent pricing services or through brokers, which are derived using daily swap curves and models that incorporate a number of market data factors, such as discounted cash flows, trades and values of the underlying reference instruments.

Generally, trading in foreign instruments is substantially completed each day at various times prior to the close of trading on the NYSE. Each business day, the Fund uses current market factors supplied by independent pricing services to value certain foreign instruments ("Systematic Fair Value Price"). The Systematic Fair Value Price is designed to value such foreign securities at fair value as of the close of trading on the NYSE, which follows the close of the local markets.

If events (e.g., market volatility, company announcement or a natural disaster) occur that are expected to materially affect the value of such investment, or in the event that application of these methods of valuation results in a price for an investment that is deemed not to be representative of the market value of such investment, or if a price is not available, the investment will be valued by the Valuation Committee in accordance with the Manager's policies and procedures as reflecting fair value ("Fair Valued Investments"). The fair valuation approaches that may be used by the Valuation Committee include market approach, income approach and cost approach. Valuation techniques such as discounted cash flow, use of market comparables and matrix pricing are types of valuation approaches and are typically used in determining fair value. When determining the price for Fair Valued Investments, the Valuation Committee seeks to determine the price that the Fund might reasonably expect to receive or pay from the current sale or purchase of that asset or liability in an arm's-length transaction. Fair value determinations shall be based upon all available factors that the Valuation Committee deems relevant and consistent with the principles of fair value measurement.

For investments in equity or debt issued by privately held companies or funds ("Private Company" or collectively, the "Private Companies") and other Fair Valued Investments, the fair valuation approaches that are used by the Valuation Committee and third-party pricing services utilized by the Valuation Committee include one or a combination of, but not limited to, the following inputs.

Standard Inputs Generally Considered By The Valuation Committee And Third-Party Pricing Services	
Market approach	(i) recent market transactions, including subsequent rounds of financing, in the underlying investment or comparable issuers; (ii) recapitalizations and other transactions across the capital structure; and (iii) market multiples of comparable issuers.
Income approach	(i) future cash flows discounted to present and adjusted as appropriate for liquidity, credit, and/or market risks; (ii) quoted prices for similar investments or assets in active markets; and (iii) other risk factors, such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, recovery rates, liquidation amounts and/or default rates.
Cost approach	(i) audited or unaudited financial statements, investor communications and financial or operational metrics issued by the Private Company; (ii) changes in the valuation of relevant indices or publicly traded companies comparable to the Private Company; (iii) relevant news and other public sources; and (iv) known secondary market transactions in the Private Company's interests and merger or acquisition activity in companies comparable to the Private Company.

Investments in series of preferred stock issued by Private Companies are typically valued utilizing market approach in determining the enterprise value of the company. Such investments often contain rights and preferences that differ from other series of preferred and common stock of the same issuer. Enterprise valuation techniques such as an option pricing model ("OPM"), a probability weighted expected return model ("PWERM"), current value method or a hybrid of those techniques are used as deemed appropriate under the circumstances. The use of these valuation techniques involve a determination of the exit scenarios of the investment in order to appropriately allocate the enterprise value of the company among the various parts of its capital structure.

The Private Companies are not subject to the public company disclosure, timing, and reporting standards applicable to other investments held by the Fund. Typically, the most recently available information by a Private Company is as of a date that is earlier than the date the Fund is calculating its NAV. This factor may result in a difference between the value of the investment and the price the Fund could receive upon the sale of the investment.

Fair Value Hierarchy: Various inputs are used in determining the fair value of financial instruments. These inputs to valuation techniques are categorized into a fair value hierarchy consisting of three broad levels for financial reporting purposes as follows:

- Level 1 – Unadjusted price quotations in active markets/exchanges for identical assets or liabilities that the Fund has the ability to access;
- Level 2 – Other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market–corroborated inputs); and
- Level 3 – Unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including the Valuation Committee's assumptions used in determining the fair value of financial instruments).

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety. Investments classified within Level 3 have significant unobservable inputs used by the Valuation Committee in determining the price for Fair Valued Investments. Level 3 investments include equity or debt issued by Private Companies that may not have a secondary market and/or may have a limited number of investors. The categorization of a value determined for financial instruments is based on the pricing transparency of the financial instruments and is not necessarily an indication of the risks associated with investing in those securities.

As of May 31, 2023, certain investments of the Fund were fair valued using NAV as a practical expedient as no quoted market value is available and therefore have been excluded from the fair value hierarchy.

4. SECURITIES AND OTHER INVESTMENTS

Preferred Stocks: Preferred stock has a preference over common stock in liquidation (and generally in receiving dividends as well), but is subordinated to the liabilities of the issuer in all respects. As a general rule, the market value of preferred stock with a fixed dividend rate and no conversion element varies inversely with interest rates and perceived credit risk, while the market price of convertible preferred stock generally also reflects some element of conversion value. Because preferred stock is junior to debt securities and other obligations of the issuer, deterioration in the credit quality of the issuer will cause greater changes in the value of a preferred stock than in a more senior debt security with similar stated yield characteristics. Unlike interest payments on debt securities, preferred stock dividends are payable only if declared by the issuer's board of directors. Preferred stock also may be subject to optional or mandatory redemption provisions.

Warrants: Warrants entitle a fund to purchase a specified number of shares of common stock and are non-income producing. The purchase price and number of shares are subject to adjustment under certain conditions until the expiration date of the warrants, if any. If the price of the underlying stock does not rise above the strike price before the warrant expires, the warrant generally expires without any value and a fund will lose any amount it paid for the warrant. Thus, investments in warrants may involve more risk than investments in common stock. Warrants may trade in the same markets as their underlying stock; however, the price of the warrant does not necessarily move with the price of the underlying stock.

Special Purpose Acquisition Companies: Special purpose acquisition companies (SPACs) are companies that have no operations but go public with the intention of merging with or acquiring a company using the proceeds of the SPAC's initial public offering. The Fund may enter into a commitment with a SPAC for a private investment in a public equity (PIPE) and will satisfy the commitment if and when the SPAC completes its merger or acquisition. Securities purchased through PIPE transactions will be restricted from trading and considered illiquid until a registration statement for the shares is filed and declared effective. Unfunded SPAC PIPE commitments are marked-to-market and any unrealized appreciation (depreciation) is separately presented in the Statement of Assets and Liabilities and Statement of Operations. As of period end, the Fund had the following unfunded SPAC PIPE commitments:

Investment Name	*Commitment Amount*	*Value*	*Unrealized Appreciation (Depreciation)*
Metals Acquisition Ltd.	$ 1,287,000	$ 1,287,000	$ —

Securities Lending: The Fund may lend its securities to approved borrowers, such as brokers, dealers and other financial institutions. The borrower pledges and maintains with the Fund collateral consisting of cash, an irrevocable letter of credit issued by a bank, or securities issued or guaranteed by the U.S. Government. The initial collateral received by the Fund is required to have a value of at least 102% of the current value of the loaned securities for securities traded on U.S. exchanges and a value of at least 105% for all other securities. The collateral is maintained thereafter at a value equal to at least 100% of the current market value of the securities on loan. The market value of the loaned securities is determined at the close of each business day of the Fund and any additional required collateral is delivered to the Fund, or excess collateral returned by the Fund, on the next business day. During the term of the loan, the Fund is entitled to all distributions made on or in respect of the loaned securities, but does not receive interest income on securities received as collateral. Loans of securities are terminable at any time and the borrower, after notice, is required to return borrowed securities within the standard time period for settlement of securities transactions.

As of period end, any securities on loan were collateralized by cash and/or U.S. Government obligations. Cash collateral invested by the securities lending agent, BlackRock Investment Management, LLC ("BIM"), if any, is disclosed in the Consolidated Schedule of Investments. Any non-cash collateral received cannot be sold, re-invested or pledged by the Fund, except in the event of borrower default. The securities on loan, if any, are disclosed in the Fund's Consolidated Schedule of Investments. The market value of any securities on loan and the value of related collateral, if any, are shown separately in the Consolidated StatementConsolidated of Assets and Liabilities as a component of investments at value – unaffiliated and collateral on securities loaned, respectively.

Securities lending transactions are entered into by the Fund under Master Securities Lending Agreements (each, an "MSLA"), which provide the right, in the event of default (including bankruptcy or insolvency), for the non-defaulting party to liquidate the collateral and calculate a net exposure to the defaulting party or request additional collateral. In the event that a borrower defaults, the Fund, as lender, would offset the market value of the collateral received against the market value of the securities loaned. When the value of the collateral is greater than that of the market value of the securities loaned, the lender is left with a net amount payable to the defaulting party. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against such a right of offset in the event of an MSLA counterparty's bankruptcy or insolvency. Under the MSLA, absent an event of default, the borrower can resell or re-pledge the loaned securities, and the Fund can reinvest cash collateral received in connection with loaned securities. Upon an event of default, the parties' obligations to return the securities or collateral to the other party are extinguished, and the parties can resell or re-pledge the loaned securities or the collateral received in connection with the loaned securities in order to satisfy the defaulting party's net payment obligation for all transactions under the MSLA. The defaulting party remains liable for any deficiency.

As of period end, the following table is a summary of the Fund's securities on loan by counterparty which are subject to offset under an MSLA:

Counterparty	*Securities Loaned at Value*	*Cash Collateral Received*[(a)]	*Non-Cash Collateral Received*[(a)]	*Net Amount*
Barclays Capital, Inc.	$ 65,357	$ (65,357)	$ —	$ —
BofA Securities, Inc.	37,232	(37,232)	—	—
J.P. Morgan Securities LLC	9,993,061	(9,993,061)	—	—
Morgan Stanley	2,863,845	(2,863,845)	—	—
National Financial Services LLC	11,488	(11,488)	—	—
SG Americas Securities LLC	130,526	(130,526)	—	—
	$ 13,101,509	$ (13,101,509)	$ —	$ —

(a) Collateral received, if any, in excess of the market value of securities on loan is not presented in this table. The total cash collateral received by the Fund is disclosed in the Fund's Consolidated Statement of Assets and Liabilities.

The risks of securities lending include the risk that the borrower may not provide additional collateral when required or may not return the securities when due. To mitigate these risks, the Fund benefits from a borrower default indemnity provided by BIM. BIM's indemnity allows for full replacement of the securities loaned to the extent the collateral received does not cover the value on the securities loaned in the event of borrower default. The Fund could incur a loss if the value of an investment purchased with cash collateral falls below the market value of loaned securities or if the value of an investment purchased with cash collateral falls below the value of the original cash collateral received. Such losses are borne entirely by the Fund.

5. DERIVATIVE FINANCIAL INSTRUMENTS

The Fund engages in various portfolio investment strategies using derivative contracts both to increase the returns of the Fund and/or to manage its exposure to certain risks such as credit risk, equity risk, interest rate risk, foreign currency exchange rate risk, commodity price risk or other risks (e.g., inflation risk). Derivative financial instruments categorized by risk exposure are included in the Consolidated Schedule of Investments. These contracts may be transacted on an exchange or over-the-counter ("OTC").

Swaps: Swap contracts are entered into to manage exposure to issuers, markets and securities. Such contracts are agreements between the Fund and a counterparty to make periodic net payments on a specified notional amount or a net payment upon termination. Swap agreements are privately negotiated in the OTC market and may be entered into as a bilateral contract ("OTC swaps") or centrally cleared ("centrally cleared swaps").

For OTC swaps, any upfront premiums paid and any upfront fees received are shown as swap premiums paid and swap premiums received, respectively, in the Consolidated Statement of Assets and Liabilities and amortized over the term of the contract. The daily fluctuation in market value is recorded as unrealized appreciation (depreciation) on OTC Swaps in the Consolidated Statement of Assets and Liabilities. Payments received or paid are recorded in the Consolidated Statement of Operations as realized gains or losses, respectively. When an OTC swap is terminated, a realized gain or loss is recorded in the Consolidated Statement of Operations equal to the difference between the proceeds from (or cost of) the closing transaction and the Fund's basis in the contract, if any. Generally, the basis of the contract is the premium received or paid.

In a centrally cleared swap, immediately following execution of the swap contract, the swap contract is novated to a central counterparty (the "CCP") and the CCP becomes the Fund's counterparty on the swap. The Fund is required to interface with the CCP through the broker. Upon entering into a centrally cleared swap, the Fund is required to deposit initial margin with the broker in the form of cash or securities in an amount that varies depending on the size and risk profile of the particular swap. Securities deposited as initial margin are designated in the Consolidated Schedule of Investments and cash deposited is shown as cash pledged for centrally cleared swaps in the Consolidated Statement of Assets and Liabilities. Amounts pledged, which are considered restricted cash, are included in cash pledged for centrally cleared swaps in the Consolidated Statement of Assets and Liabilities. Pursuant to the contract, the Fund agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in market value of the contract ("variation margin"). Variation margin is recorded as unrealized appreciation (depreciation) and shown as variation margin receivable (or payable) on centrally cleared swaps in the Consolidated Statement of Assets and Liabilities. Payments received from (paid to) the counterparty are amortized over the term of the contract and recorded as realized gains (losses) in the Consolidated Statement of Operations, including those at termination.

- Total return swaps — Total return swaps are entered into to obtain exposure to a security or market without owning such security or investing directly in such market or to exchange the risk/return of one security or market (e.g., fixed-income) with another security or market (e.g., equity or commodity prices) (equity risk, commodity price risk and/or interest rate risk).

  Total return swaps are agreements in which there is an exchange of cash flows whereby one party commits to make payments based on the total return (distributions plus capital gains/losses) of an underlying instrument, or basket of underlying instruments, in exchange for fixed or floating rate interest payments. If the total return of the instrument(s) or index underlying the transaction exceeds or falls short of the offsetting fixed or floating interest rate obligation, the Fund receives payment from or makes a payment to the counterparty.

Swap transactions involve, to varying degrees, elements of interest rate, credit and market risks in excess of the amounts recognized in the Consolidated Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of the contractual terms in the agreements, and that there may be unfavorable changes in interest rates and/or market values associated with these transactions.

Master Netting Arrangements: In order to define its contractual rights and to secure rights that will help it mitigate its counterparty risk, the Fund may enter into an International Swaps and Derivatives Association, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement with its counterparties. An ISDA Master Agreement is a bilateral agreement between a Fund and a counterparty that governs certain OTC derivatives and typically contains, among other things, collateral posting terms and netting provisions in the event of a default and/or termination event. Under an ISDA Master Agreement, a Fund may, under certain circumstances, offset with the counterparty certain derivative financial instruments' payables and/or receivables with collateral held and/or posted and create one single net payment. The provisions of the ISDA Master Agreement typically permit a single net payment in the event of default including the bankruptcy or insolvency of the counterparty. However, bankruptcy or insolvency laws of a particular jurisdiction may impose restrictions on or prohibitions against the right of offset in bankruptcy, insolvency or other events.

Collateral Requirements: For derivatives traded under an ISDA Master Agreement, the collateral requirements are typically calculated by netting the mark-to-market amount for each transaction under such agreement and comparing that amount to the value of any collateral currently pledged by the Fund and the counterparty.

Cash collateral that has been pledged to cover obligations of the Fund and cash collateral received from the counterparty, if any, is reported separately in the Consolidated Statement of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by the Fund, if any, is noted in the Consolidated Schedule of Investments. Generally, the amount of collateral due from or to a counterparty is subject to a certain minimum transfer amount threshold before a transfer is required, which is determined at the close of business of the Fund. Any additional required collateral is delivered to/pledged by the Fund on the next business day. Typically, the counterparty is not permitted to sell, re-pledge or use cash and non-cash collateral it receives. The Fund generally agrees not to use non-cash collateral that it receives but may, absent default or certain other circumstances defined in the underlying ISDA Master Agreement, be permitted to use cash collateral received. In such cases, interest may be paid pursuant to the collateral arrangement with the counterparty. To the extent amounts due to the Fund from the counterparties are not fully collateralized, the Fund bears the risk of loss from counterparty non-performance. Likewise, to the extent the Fund has delivered collateral to a counterparty and stands ready to perform under the terms of its agreement with such counterparty, the Fund bears the risk of loss from a counterparty in the amount of the value of the collateral in the event the counterparty fails to return such collateral. Based on the terms of agreements, collateral may not be required for all derivative contracts.

For financial reporting purposes, the Fund does not offset derivative assets and derivative liabilities that are subject to netting arrangements, if any, in the Consolidated Statement of Assets and Liabilities.

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6. INVESTMENT ADVISORY AGREEMENT AND OTHER TRANSACTIONS WITH AFFILIATES

Investment Advisory: The Trust, on behalf of the Fund, entered into an Investment Advisory Agreement with the Manager, the Fund's investment adviser and an indirect, wholly-owned subsidiary of BlackRock, Inc. ("BlackRock"), to provide investment advisory services. The Manager is responsible for the management of the Fund's portfolio and provides the personnel, facilities, equipment and certain other services necessary to the operations of the Fund.

For such services, the Fund pays the Manager a monthly fee at an annual rate equal to the following percentages of the average daily value of the Fund's net assets:

Average Daily Net Assets	*Investment Advisory Fees*
First $1 billion	0.62%
$1 billion - $3 billion	0.58
$3 billion - $5 billion	0.56
$5 billion - $10 billion	0.54
Greater than $10 billion	0.53

The Manager provides investment management and other services to the Subsidiary. The Manager does not receive separate compensation from the Subsidiary for providing investment management or administrative services. However, the Fund pays the Manager based on the Fund's net assets, which includes the assets of the Subsidiary.

With respect to the Fund, the Manager entered into a sub-advisory agreement with BlackRock International Limited ("BIL"), an affiliate of the Manager. The Manager pays BIL for services it provides for that portion of the Fund for which BIL acts as sub-adviser, a monthly fee that is equal to a percentage of the investment advisory fees paid by the Fund to the Manager.

Service and Distribution Fees: The Trust, on behalf of the Fund, entered into a Distribution Agreement and a Distribution and Service Plan with BlackRock Investments, LLC ("BRIL"), an affiliate of the Manager. Pursuant to the Distribution and Service Plan and in accordance with Rule 12b-1 under the 1940 Act, the Fund pays BRIL ongoing service and distribution fees. The fees are accrued daily and paid monthly at annual rates based upon the average daily net assets of the relevant share class of the Fund as follows:

Share Class	*Service Fees*	*Distribution Fees*
Investor A	0.25%	N/A
Investor C	0.25	0.75%

BRIL and broker-dealers, pursuant to sub-agreements with BRIL, provide shareholder servicing and distribution services to the Fund. The ongoing service and/or distribution fee compensates BRIL and each broker-dealer for providing shareholder servicing and/or distribution related services to shareholders.

For the year ended May 31, 2023, the following table shows the class specific service and distribution fees borne directly by each share class of the Fund:

	Investor A	*Investor C*	*Total*
Service and distribution — class specific	$ 403,026	$ 366,659	$ 769,685

Administration: The Trust, on behalf of the Fund, entered into an Administration Agreement with the Manager, an indirect, wholly-owned subsidiary of BlackRock, to provide administrative services. For these services, the Manager receives an administration fee computed daily and payable monthly, based on a percentage of the average daily net assets of the Fund. The administration fee, which is shown as administration in the Consolidated Statement of Operations, is paid at the annual rates below.

Average Daily Net Assets	*Administration Fees*
First $500 million	0.0425%
$500 million - $1 billion	0.0400
$1 billion - $2 billion	0.0375
$2 billion - $4 billion	0.0350
$4 billion - $13 billion	0.0325
Greater than $13 billion	0.0300

In addition, the Manager charges each of the share classes an administration fee, which is shown as administration — class specific in the Consolidated Statement of Operations, at an annual rate of 0.02% of the average daily net assets of each respective class.

For the year ended May 31, 2023, the Fund paid the following to the Manager in return for these services, which are included in administration — class specific in the Consolidated Statement of Operations:

	Institutional	*Investor A*	*Investor C*	*Class K*	*Total*
Administration — class specific	$ 262,470	$ 32,301	$ 7,329	$ 48,695	$ 350,795

Transfer Agent: Pursuant to written agreements, certain financial intermediaries, some of which may be affiliates, provide the Fund with sub-accounting, recordkeeping, sub-transfer agency and other administrative services with respect to servicing of underlying investor accounts. For these services, these entities receive an asset-based fee or an annual fee per shareholder account, which will vary depending on share class and/or net assets. For the year ended May 31, 2023, the Fund did not pay any amounts to affiliates in return for these services.

The Manager maintains a call center that is responsible for providing certain shareholder services to the Fund. Shareholder services include responding to inquiries and processing purchases and sales based upon instructions from shareholders. For the year ended May 31, 2023, the Fund reimbursed the Manager the following amounts for costs incurred in running the call center, which are included in transfer agent — class specific in the Consolidated Statement of Operations:

	Institutional	*Investor A*	*Investor C*	*Class K*	*Total*
Reimbursed amounts	$ 4,679	$ 1,815	$ 606	$ 547	$ 7,647

For the year ended May 31, 2023, the following table shows the class specific transfer agent fees borne directly by each share class of the Fund:

	Institutional	*Investor A*	*Investor C*	*Class K*	*Total*
Transfer agent — class specific	$ 1,632,355	$ 181,885	$ 33,414	$ 37,964	$ 1,885,618

Other Fees: For the year ended May 31, 2023, affiliates earned underwriting discounts, direct commissions and dealer concessions on sales of the Fund's Investor A Shares for a total of $9,489.

For the year ended May 31, 2023, affiliates received CDSCs as follows:

Share Class	*Amounts*
Investor A	$ 28,955
Investor C	15,603

Expense Limitations, Waivers and Reimbursements: The Manager contractually agreed to waive its investment advisory fees by the amount of investment advisory fees the Fund pays to the Manager indirectly through its investment in affiliated money market funds (the "affiliated money market fund waiver") through June 30, 2024. The contractual agreement may be terminated upon 90 days' notice by a majority of the trustees who are not "interested persons" of the Trust, as defined in the 1940 Act ("Independent Trustees"), or by a vote of a majority of the outstanding voting securities of the Fund. The amount of waivers and/or reimbursements of fees and expenses made pursuant to the expense limitation described below will be reduced by the amount of the affiliated money market fund waiver. This amount is included in fees waived and/or reimbursed by the Manager in the Statement of Operations. For the year ended May 31, 2023, the amount waived was $12,659.

The Manager has contractually agreed to waive its investment advisory fee with respect to any portion of the Fund's assets invested in affiliated equity and fixed-income mutual funds and affiliated exchange-traded funds that have a contractual management fee through June 30, 2024. The contractual agreement may be terminated upon 90 days' notice by a majority of the Independent Trustees, or by a vote of a majority of the outstanding voting securities of the Fund. For the year ended May 31, 2023, there were no fees waived by the Manager pursuant to this arrangement.

The Manager contractually agreed to waive and/or reimburse fees or expenses in order to limit expenses, excluding interest expense, dividend expense, tax expense, acquired fund fees and expenses, and certain other fund expenses, which constitute extraordinary expenses not incurred in the ordinary course of the Fund's business ("expense limitation"). The expense limitations as a percentage of average daily net assets are as follows:

Institutional	*Investor A*	*Investor C*	*Class K*
0.72%	0.97%	1.72%	0.67%

The Manager has agreed not to reduce or discontinue the contractual expense limitations through June 30, 2024 unless approved by the Board, including a majority of the Independent Trustees, or by a vote of a majority of the outstanding voting securities of the Fund. For the year ended May 31, 2023, the Manager waived and/or reimbursed investment advisory fees of $316,390, which is included in fees waived and/or reimbursed by the Manager in the Consolidated Statement of Operations.

In addition, these amounts waived and/or reimbursed by the Manager are included in administration fees waived by the Manager — class specific and transfer agent fees waived and/or reimbursed by the Manager — class specific, respectively, in the Consolidated Statement of Operations. For the year ended May 31, 2023, class specific expense waivers and/or reimbursements are as follows:

	Institutional	*Investor A*	*Investor C*	*Class K*	*Total*
Administration fees waived by the Manager — class specific	$ 262,470	$ 32,301	$ 7,329	$ 48,235	$ 350,335
Transfer agent fees waived and/or reimbursed by the Manager — class specific	967,769	100,161	15,380	36,759	1,120,069

Securities Lending: The U.S. Securities and Exchange Commission ("SEC") has issued an exemptive order which permits BIM, an affiliate of the Manager, to serve as securities lending agent for the Fund, subject to applicable conditions. As securities lending agent, BIM bears all operational costs directly related to securities lending. The Fund is responsible for expenses in connection with the investment of cash collateral received for securities on loan (the "collateral investment expenses"). The cash collateral is invested in a private investment company, Money Market Series, managed by the Manager or its affiliates. However, BIM has agreed to cap the collateral investment expenses of the Money Market Series to an annual rate of 0.04%. The investment adviser to the Money Market Series will not charge any advisory fees with respect to shares purchased by the Fund. The Money Market Series may, under certain circumstances, impose a liquidity fee of up to 2% of the value withdrawn or temporarily restrict withdrawals for up to 10 business days during a 90 day period, in the event that the private investment company's weekly liquid assets fall below certain thresholds.The Money Market Series seeks current income consistent with maintaining liquidity and preserving capital. Although the Money Market Series is not registered under the 1940 Act, its investments may follow the parameters of investments by a money market fund that is subject to Rule 2a-7 under the 1940 Act.

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Securities lending income is equal to the total of income earned from the reinvestment of cash collateral, net of fees and other payments to and from borrowers of securities, and less the collateral investment expenses. The Fund retains a portion of securities lending income and remits a remaining portion to BIM as compensation for its services as securities lending agent.

Pursuant to the current securities lending agreement, the Fund retains 82% of securities lending income (which excludes collateral investment expenses), and this amount retained can never be less than 70% of the total of securities lending income plus the collateral investment expenses.

In addition, commencing the business day following the date that the aggregate securities lending income earned across the BlackRock Multi-Asset Complex in a calendar year exceeds a specified threshold, the Fund, pursuant to the securities lending agreement, will retain for the remainder of that calendar year securities lending income in an amount equal to 85% of securities lending income (which excludes collateral investment expenses), and this amount retained can never be less than 70% of the total of securities lending income plus the collateral investment expenses.

The share of securities lending income earned by the Fund is shown as securities lending income — affiliated — net in the Consolidated Statement of Operations. For the year ended May 31, 2023, the Fund paid BIM $109,120 for securities lending agent services.

Interfund Lending: In accordance with an exemptive order (the "Order") from the SEC, the Fund may participate in a joint lending and borrowing facility for temporary purposes (the "Interfund Lending Program"), subject to compliance with the terms and conditions of the Order, and to the extent permitted by the Fund's investment policies and restrictions. The Fund is currently permitted to borrow and lend under the Interfund Lending Program.

A lending BlackRock fund may lend in aggregate up to 15% of its net assets but may not lend more than 5% of its net assets to any one borrowing fund through the Interfund Lending Program. A borrowing BlackRock fund may not borrow through the Interfund Lending Program or from any other source more than 33 1/3% of its total assets (or any lower threshold provided for by the fund's investment restrictions). If a borrowing BlackRock fund's total outstanding borrowings exceed 10% of its total assets, each of its outstanding interfund loans will be subject to collateralization of at least 102% of the outstanding principal value of the loan. All interfund loans are for temporary or emergency purposes and the interest rate to be charged will be the average of the highest current overnight repurchase agreement rate available to a lending fund and the bank loan rate, as calculated according to a formula established by the Board.

During the year ended May 31, 2023, the Fund did not participate in the Interfund Lending Program.

Trustees and Officers: Certain trustees and/or officers of the Trust are directors and/or officers of BlackRock or its affiliates. The Fund reimburses the Manager for a portion of the compensation paid to the Trust's Chief Compliance Officer, which is included in Trustees and Officer in the Consolidated Statement of Operations.

Other Transactions: The Fund may purchase securities from, or sell securities to, an affiliated fund provided the affiliation is due solely to having a common investment adviser, common officers, or common trustees. For the year ended May 31, 2023, the purchase and sale transactions and any net realized gains (losses) with an affiliated fund in compliance with Rule 17a-7 under the 1940 Act were as follows:

Purchases	*Sales*	*Net Realized Loss*
$ 281,484	$ 2,903,844	$ (1,842,703)

7. *PURCHASES AND SALES*

For the year ended May 31, 2023, purchases and sales of investments, excluding short-term securities, were $671,333,840 and $1,233,216,003, respectively.

8. *INCOME TAX INFORMATION*

It is the Fund's policy to comply with the requirements of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies, and to distribute substantially all of its taxable income to its shareholders. Therefore, no U.S. federal income tax provision is required.

The Fund files U.S. federal and various state and local tax returns. No income tax returns are currently under examination. The statute of limitations on the Fund's U.S. federal tax returns generally remains open for a period of three years after they are filed. The statutes of limitations on the Fund's state and local tax returns may remain open for an additional year depending upon the jurisdiction.

Management has analyzed tax laws and regulations and their application to the Fund as of May 31, 2023, inclusive of the open tax return years, and does not believe that there are any uncertain tax positions that require recognition of a tax liability in the Fund's consolidated financial statements.

U.S. GAAP requires that certain components of net assets be adjusted to reflect permanent differences between financial and tax reporting. These reclassifications have no effect on net assets or per share. As of period end, permanent differences attributable to certain deemed distributions and income recognized from the Fund's wholly owned subsidiary were reclassified to the following accounts:

	Amounts
Paid-in capital	$ (1,423,924)
Accumulated earnings (loss)	1,423,924

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The tax character of distributions paid was as follows:

	Year Ended 05/31/23	*Year Ended 05/31/22*
Ordinary income	$ 184,818,182	$ 35,182,375

As of May 31, 2023, the tax components of accumulated earnings (loss) were as follows:

Fund Name	*Undistributed Ordinary Income*	*Non-expiring Capital Loss Carryforwards*[(a)]	*Net Unrealized Gains (Losses)*[(b)]	*Total*
BlackRock Commodity Strategies Fund	$ 69,051,424	$ (231,406,260)	$ (55,879,086)	$ (218,233,922)

[(a)] Amounts available to offset future realized capital gains.

[(b)] The difference between book-basis and tax-basis net unrealized gains was attributable primarily to the tax deferral of losses on wash sales, the realization for tax purposes of unrealized gains (losses) on certain foreign currency contracts, the timing and recognition of partnership income, the realization for tax purposes of unrealized gains on investments in passive foreign investment companies and the characterization of corporate actions.

As of May 31, 2023, gross unrealized appreciation and depreciation based on cost of investments (including short positions and derivatives, if any) for U.S. federal income tax purposes were as follows:

Fund Name	*Tax Cost*	*Gross Unrealized Appreciation*	*Gross Unrealized Depreciation*	*Net Unrealized Appreciation (Depreciation)*
BlackRock Commodity Strategies Fund	$ 1,116,724,078	$ 121,786,971	$ (177,791,802)	$ (56,004,831)

9. BANK BORROWINGS

The Trust, on behalf of the Fund, along with certain other funds managed by the Manager and its affiliates ("Participating Funds"), is a party to a 364-day, $2.50 billion credit agreement with a group of lenders. Under this agreement, the Fund may borrow to fund shareholder redemptions. Excluding commitments designated for certain individual funds, the Participating Funds, including the Fund, can borrow up to an aggregate commitment amount of $1.75 billion at any time outstanding, subject to asset coverage and other limitations as specified in the agreement. The credit agreement has the following terms: a fee of 0.10% per annum on unused commitment amounts and interest at a rate equal to the higher of (a) Overnight Bank Funding Rate ("OBFR") (but, in any event, not less than 0.00%) on the date the loan is made plus 0.80% per annum, (b) the Fed Funds rate (but, in any event, not less than 0.00%) in effect from time to time plus 0.80% per annum on amounts borrowed or (c) the sum of (x) Daily Simple Secured Overnight Financing Rate ("SOFR") (but, in any event, not less than 0.00%) on the date the loan is made plus 0.10% and (y) 0.80% per annum. The agreement expires in April 2024 unless extended or renewed. These fees were allocated among such funds based upon portions of the aggregate commitment available to them and relative net assets of Participating Funds. During the year ended May 31, 2023, the Fund did not borrow under the credit agreement.

10. PRINCIPAL RISKS

In the normal course of business, the Fund invests in securities or other instruments and may enter into certain transactions, and such activities subject the Fund to various risks, including among others, fluctuations in the market (market risk) or failure of an issuer to meet all of its obligations. The value of securities or other instruments may also be affected by various factors, including, without limitation: (i) the general economy; (ii) the overall market as well as local, regional or global political and/or social instability; (iii) regulation, taxation or international tax treaties between various countries; or (iv) currency, interest rate and price fluctuations. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on the Fund and its investments. The Fund's prospectus provides details of the risks to which the Fund is subject.

The Fund may be exposed to additional risks when reinvesting cash collateral in money market funds that do not seek to maintain a stable NAV per share of $1.00, which may be subject to redemption gates or liquidity fees under certain circumstances.

Market Risk: The Fund may be exposed to prepayment risk, which is the risk that borrowers may exercise their option to prepay principal earlier than scheduled during periods of declining interest rates, which would force the Fund to reinvest in lower yielding securities. The Fund may also be exposed to reinvestment risk, which is the risk that income from the Fund's portfolio will decline if the Fund invests the proceeds from matured, traded or called fixed-income securities at market interest rates that are below the Fund portfolio's current earnings rate.

Infectious Illness Risk: An outbreak of an infectious illness, such as the COVID-19 pandemic, may adversely impact the economies of many nations and the global economy and may impact individual issuers and capital markets in ways that cannot be foreseen. An infectious illness outbreak may result in, among other things, closed international borders, prolonged quarantines, supply chain disruptions, market volatility or disruptions and other significant economic, social and political impacts.

Valuation Risk: The market values of equities, such as common stocks and preferred securities or equity related investments, such as futures and options, may decline due to general market conditions which are not specifically related to a particular company. They may also decline due to factors which affect a particular industry or industries. The Fund may invest in illiquid investments. An illiquid investment is any investment that the Fund reasonably expects cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the investment. The Fund may experience difficulty in selling illiquid investments in a timely manner at the price that it believes the investments are worth. Prices may fluctuate widely over short or extended periods in response to company, market or economic news. Markets also tend to move in cycles, with periods of rising and falling prices. This volatility may cause the Fund's NAV to experience significant increases or decreases over short periods of time. If there is a general decline in the securities and other markets, the NAV of the Fund may lose value, regardless of the individual results of the securities and other instruments in which the Fund invests.

The price the Fund could receive upon the sale of any particular portfolio investment may differ from the Fund's valuation of the investment, particularly for securities that trade in thin or volatile markets or that are valued using a fair valuation technique or a price provided by an independent pricing service. Changes to significant unobservable inputs and assumptions (i.e., publicly traded company multiples, growth rate, time to exit) due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Fund's results of operations. As a result, the price received upon the sale of an investment may be less than the value ascribed by the Fund, and the Fund could realize a greater than expected loss or lesser than expected gain upon the sale of the investment. The Fund's ability to value its investments may also be impacted by technological issues and/or errors by pricing services or other third-party service providers.

Counterparty Credit Risk: The Fund may be exposed to counterparty credit risk, or the risk that an entity may fail to or be unable to perform on its commitments related to unsettled or open transactions, including making timely interest and/or principal payments or otherwise honoring its obligations. The Fund manages counterparty credit risk by entering into transactions only with counterparties that the Manager believes have the financial resources to honor their obligations and by monitoring the financial stability of those counterparties. Financial assets, which potentially expose the Fund to market, issuer and counterparty credit risks, consist principally of financial instruments and receivables due from counterparties. The extent of the Fund's exposure to market, issuer and counterparty credit risks with respect to these financial assets is approximately their value recorded in the Consolidated Statement of Assets and Liabilities, less any collateral held by the Fund.

A derivative contract may suffer a mark-to-market loss if the value of the contract decreases due to an unfavorable change in the market rates or values of the underlying instrument. Losses can also occur if the counterparty does not perform under the contract.

Concentration Risk: A diversified portfolio, where this is appropriate and consistent with a fund's objectives, minimizes the risk that a price change of a particular investment will have a material impact on the NAV of a fund. The investment concentrations within the Fund's portfolio are disclosed in its Consolidated Schedule of Investments.

The Fund invests a significant portion of its assets in securities within a single or limited number of market sectors. When a fund concentrates its investments in this manner, it assumes the risk that economic, regulatory, political and social conditions affecting such sectors may have a significant impact on the Fund and could affect the income from, or the value or liquidity of, the Fund's portfolio. Investment percentages in specific sectors are presented in the Schedule of Investments. The Fund invests a significant portion of its assets in securities of issuers located in the United States. A decrease in imports or exports, changes in trade regulations, inflation and/or an economic recession in the United States may have a material adverse effect on the U.S. economy and the securities listed on U.S. exchanges. Proposed and adopted policy and legislative changes in the United States may also have a significant effect on U.S. markets generally, as well as on the value of certain securities. Governmental agencies project that the United States will continue to maintain elevated public debt levels for the foreseeable future which may constrain future economic growth. Circumstances could arise that could prevent the timely payment of interest or principal on U.S. government debt, such as reaching the legislative "debt ceiling." Such non-payment would result in substantial negative consequences for the U.S. economy and the global financial system. If U.S. relations with certain countries deteriorate, it could adversely affect issuers that rely on the United States for trade. The United States has also experienced increased internal unrest and discord. If these trends were to continue, they may have an adverse impact on the U.S. economy and the issuers in which the Fund invests.

Significant Shareholder Redemption Risk: Certain shareholders may own or manage a substantial amount of fund shares and/or hold their fund investments for a limited period of time. Large redemptions of fund shares by these shareholders may force a fund to sell portfolio securities, which may negatively impact the fund's NAV, increase the fund's brokerage costs, and/or accelerate the realization of taxable income/gains and cause the fund to make additional taxable distributions to shareholders.

11. CAPITAL SHARE TRANSACTIONS

Transactions in capital shares for each class were as follows:

	Year Ended 05/31/23		Year Ended 05/31/22	
Share Class	*Shares*	*Amount*	*Shares*	*Amount*
Institutional				
Shares sold	48,377,579	$ 467,663,752	154,044,749	$ 1,536,299,947
Shares issued in reinvestment of distributions	15,381,433	135,103,945	3,205,932	28,631,112
Shares redeemed	(148,478,047)	(1,392,777,097)	(68,952,983)	(685,696,069)
	(84,719,035)	$ (790,009,400)	88,297,698	$ 879,234,990
Investor A				
Shares sold and automatic conversion of shares	3,826,409	$ 36,751,196	14,802,967	$ 146,719,128
Shares issued in reinvestment of distributions	1,826,612	15,892,675	363,990	3,219,524
Shares redeemed	(12,608,372)	(117,252,987)	(8,069,674)	(78,996,285)
	(6,955,351)	$ (64,609,116)	7,097,283	$ 70,942,367

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Share Class	Year Ended 05/31/23 Shares	Year Ended 05/31/23 Amount	Year Ended 05/31/22 Shares	Year Ended 05/31/22 Amount
Investor C				
Shares sold	998,622	$ 9,407,731	2,599,039	$ 25,219,121
Shares issued in reinvestment of distributions	373,610	3,106,485	45,217	382,739
Shares redeemed and automatic conversion of shares	(1,631,866)	(14,422,937)	(576,619)	(5,577,417)
	(259,634)	$ (1,908,721)	2,067,637	$ 20,024,443
Class K				
Shares sold	8,292,838	$ 85,776,294	23,398,781	$ 245,214,319
Shares issued in reinvestment of distributions	2,834,330	24,904,192	269,571	2,408,462
Shares redeemed	(22,680,846)	(211,987,182)	(17,506,219)[a]	(162,607,443)
	(11,553,678)	$ (101,306,696)	6,162,133	$ 85,015,338
	(103,487,698)	$ (957,833,933)	103,624,751	$ 1,055,217,138

[a] Including (13,609,467) representing in-kind redemptions.

12. SUBSEQUENT EVENTS

Management has evaluated the impact of all subsequent events on the Fund through the date the financial statements were issued and has determined that there were no subsequent events requiring adjustment or additional disclosure in the financial statements.

Report of Independent Registered Public Accounting Firm

To the Shareholders of BlackRock Commodity Strategies Fund and the Board of Trustees of BlackRock Funds℠:

Opinion on the Financial Statements and Financial Highlights

We have audited the accompanying consolidated statement of assets and liabilities of BlackRock Commodity Strategies Fund of BlackRock Funds℠ (the "Fund"), including the consolidated schedule of investments, as of May 31, 2023, the related consolidated statement of operations for the year then ended, the consolidated statements of changes in net assets for each of the two years in the period then ended, the consolidated financial highlights for each of the three years in the period then ended and for the period from August 1, 2019 through May 31, 2020, and the related notes. In our opinion, the financial statements and financial highlights present fairly, in all material respects, the financial position of the Fund as of May 31, 2023, and the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended, and the financial highlights for each of the three years in the period then ended and for the period from August 1, 2019 through May 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

The financial highlights for each of the two years in the period ended July 31, 2019 of the Fund were audited by other auditors whose report dated September 24, 2019, expressed an unqualified opinion on those financial highlights.

Basis for Opinion

These financial statements and financial highlights are the responsibility of the Fund's management. Our responsibility is to express an opinion on the Fund's financial statements and financial highlights based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Fund in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement, whether due to error or fraud. The Fund is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements and financial highlights, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements and financial highlights. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements and financial highlights. Our procedures included confirmation of securities owned as of May 31, 2023, by correspondence with custodians or counterparties; when replies were not received, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

Deloitte & Touche LLP
Boston, Massachusetts
July 21, 2023

We have served as the auditor of one or more BlackRock investment companies since 1992.

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Important Tax Information (unaudited)

The following amount, or maximum amount allowable by law, is hereby designated is qualified dividend income for individuals for the fiscal year ended May 31, 2023:

Fund Name	*Qualified Dividend Income*
BlackRock Commodity Strategies Fund	$ 29,136,558

The Fund hereby designates the following amount, or maximum amount allowable by law, of distributions from direct federal obligation interest for the fiscal year ended May 31, 2023:

Fund Name	*Federal Obligation Interest*
BlackRock Commodity Strategies Fund	$ 21,429,792

The following percentage, or maximum percentage allowable by law, of ordinary income distributions paid during the fiscal year ended May 31, 2023 qualified for the dividends-received deduction for corporate shareholders:

Fund Name	*Dividends-Received Deduction*
BlackRock Commodity Strategies Fund	6.62%

The Fund hereby designates the following amount, or maximum amount allowable by law, as interest income eligible to be treated as a Section 163(j) interest dividend for the fiscal year ended May 31, 2023:

Fund Name	*Interest Dividends*
BlackRock Commodity Strategies Fund	$ 21,748,352

The Fund hereby designates the following amount, or maximum amount allowable by law, as interest-related dividends eligible for exemption from U.S. withholding tax for nonresident aliens and foreign corporations for the fiscal year ended May 31, 2023:

Fund Name	*Interest-Related Dividends*
BlackRock Commodity Strategies Fund	$ 21,746,681

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Disclosure of Investment Advisory Agreement and Sub-Advisory Agreement

The Board of Trustees (the “Board,” the members of which are referred to as “Board Members”) of BlackRock Funds (the “Trust”) met on April 18, 2023 (the “April Meeting”) and May 23-24, 2023 (the “May Meeting”) to consider the approval to continue the investment advisory agreement (the “Advisory Agreement”) between the Trust, on behalf of BlackRock Commodity Strategies Fund (the “Fund”), and BlackRock Advisors, LLC (the “Manager”), the Fund’s investment advisor. The Board also considered the approval to continue the sub-advisory agreement (the “Sub-Advisory Agreement”) between the Manager and BlackRock International Limited (the “Sub-Advisor”) with respect to the Fund. The Manager and the Sub-Advisor are referred to herein as “BlackRock.” The Advisory Agreement and the Sub-Advisory Agreement are referred to herein as the “Agreements.”

The Approval Process

Consistent with the requirements of the Investment Company Act of 1940 (the “1940 Act”), the Board considers the approval of the continuation of the Agreements for the Fund on an annual basis. The Board members who are not “interested persons” of the Trust, as defined in the 1940 Act, are considered independent Board members (the “Independent Board Members”). The Board’s consideration entailed a year-long deliberative process during which the Board and its committees assessed BlackRock’s various services to the Fund, including through the review of written materials and oral presentations, and the review of additional information provided in response to requests from the Independent Board Members. The Board had four quarterly meetings per year, each of which extended over a two-day period, as well as additional ad hoc meetings and executive sessions throughout the year, as needed. The committees of the Board similarly met throughout the year. The Board also had an additional one-day meeting to consider specific information regarding the renewal of the Agreements. In considering the renewal of the Agreements, the Board assessed, among other things, the nature, extent and quality of the services provided to the Fund by BlackRock, BlackRock’s personnel and affiliates, including (as applicable): investment management services; accounting oversight; administrative and shareholder services; oversight of the Fund’s service providers; risk management and oversight; and legal, regulatory and compliance services. Throughout the year, including during the contract renewal process, the Independent Board Members were advised by independent legal counsel, and met with independent legal counsel in various executive sessions outside of the presence of BlackRock’s management.

During the year, the Board, acting directly and through its committees, considered information that was relevant to its annual consideration of the renewal of the Agreements, including the services and support provided by BlackRock to the Fund and its shareholders. BlackRock also furnished additional information to the Board in response to specific questions from the Board. Among the matters the Board considered were: (a) investment performance for one-year, three-year, five-year, and/or since inception periods, as applicable, against peer funds, relevant benchmarks, and other performance metrics, as applicable, as well as BlackRock senior management’s and portfolio managers’ analyses of the reasons for any outperformance or underperformance relative to its peers, benchmarks, and other performance metrics, as applicable; (b) fees, including advisory, administration, if applicable, and other amounts paid to BlackRock and its affiliates by the Fund for services; (c) Fund operating expenses and how BlackRock allocates expenses to the Fund; (d) the resources devoted to, risk oversight of, and compliance reports relating to, implementation of the Fund’s investment objective, policies and restrictions, and meeting regulatory requirements; (e) BlackRock’s and the Fund’s adherence to applicable compliance policies and procedures; (f) the nature, character and scope of non-investment management services provided by BlackRock and its affiliates and the estimated cost of such services, as available; (g) BlackRock’s and other service providers’ internal controls and risk and compliance oversight mechanisms; (h) BlackRock’s implementation of the proxy voting policies approved by the Board; (i) the use of brokerage commissions and execution quality of portfolio transactions; (j) BlackRock’s implementation of the Fund’s valuation and liquidity procedures; (k) an analysis of management fees paid to BlackRock for products with similar investment mandates across the open-end fund, exchange-traded fund (“ETF”), closed-end fund, sub-advised mutual fund, separately managed account, collective investment trust, and institutional separate account product channels, as applicable, and the similarities and differences between these products and the services provided as compared to the Fund; (l) BlackRock’s compensation methodology for its investment professionals and the incentives and accountability it creates, along with investment professionals’ investments in the fund(s) they manage; and (m) periodic updates on BlackRock’s business.

Prior to and in preparation for the April Meeting, the Board received and reviewed materials specifically relating to the renewal of the Agreements. The Independent Board Members are continuously engaged in a process with their independent legal counsel and BlackRock to review the nature and scope of the information provided to the Board to better assist its deliberations. The materials provided in connection with the April Meeting included, among other things: (a) information independently compiled and prepared by Broadridge Financial Solutions, Inc. (“Broadridge”), based on either a Lipper classification or Morningstar category, regarding the Fund’s fees and expenses as compared with a peer group of funds as determined by Broadridge (“Expense Peers”) and the investment performance of the Fund as compared with a peer group of funds (“Performance Peers”); (b) information on the composition of the Expense Peers and Performance Peers and a description of Broadridge’s methodology; (c) information on the estimated profits realized by BlackRock and its affiliates pursuant to the Agreements and a discussion of fall-out benefits to BlackRock and its affiliates; (d) a general analysis provided by BlackRock concerning investment management fees received in connection with other types of investment products, such as institutional accounts, sub-advised mutual funds, ETFs, closed-end funds, open-end funds, and separately managed accounts, under similar investment mandates, as well as the performance of such other products, as applicable; (e) a review of non-management fees; (f) the existence, impact and sharing of potential economies of scale, if any, with the Fund; (g) a summary of aggregate amounts paid by the Fund to BlackRock; (h) sales and redemption data regarding the Fund’s shares; and (i) various additional information requested by the Board as appropriate regarding BlackRock’s and the Fund’s operations.

At the April Meeting, the Board reviewed materials relating to its consideration of the Agreements and the Independent Board Members presented BlackRock with questions and requests for additional information. BlackRock responded to these questions and requests with additional written information in advance of the May Meeting.

At the May Meeting, the Board concluded its assessment of, among other things: (a) the nature, extent and quality of the services provided by BlackRock; (b) the investment performance of the Fund as compared to its Performance Peers and to other metrics, as applicable; (c) the advisory fee and the estimated cost of the services and estimated profits realized by BlackRock and its affiliates from their relationship with the Fund; (d) the Fund’s fees and expenses compared to its Expense Peers; (e) the existence and sharing of potential economies of scale; (f) any fall-out benefits to BlackRock and its affiliates as a result of BlackRock’s relationship with the Fund; and (g) other factors deemed relevant by the Board Members.

The Board also considered other matters it deemed important to the approval process, such as other payments made to BlackRock or its affiliates relating to securities lending and cash management, and BlackRock’s services related to the valuation and pricing of Fund portfolio holdings. The Board noted the willingness of BlackRock’s personnel to engage in open, candid discussions with the Board. The Board Members evaluated the information available to it on a fund-by-fund basis. The following paragraphs provide more information about some of the primary factors that were relevant to the Board's decision. The Board Members did not identify any particular information, or any single factor as determinative, and each Board Member may have attributed different weights to the various items and factors considered.

A: Nature, Extent and Quality of the Services Provided by BlackRock

The Board, including the Independent Board Members, reviewed the nature, extent and quality of services provided by BlackRock, including the investment advisory services, and the resulting performance of the Fund. Throughout the year, the Board compared Fund performance to the performance of a comparable group of mutual funds, relevant benchmarks, and performance metrics, as applicable. The Board met with BlackRock's senior management personnel responsible for investment activities, including the senior investment officers. The Board also reviewed the materials provided by the Fund's portfolio management team discussing the Fund's performance, investment strategies and outlook.

The Board considered, among other factors, with respect to BlackRock: the experience of investment personnel generally and the Fund's portfolio management team; research capabilities; investments by portfolio managers in the funds they manage; portfolio trading capabilities; use of technology; commitment to compliance; credit analysis capabilities; risk analysis and oversight capabilities; and the approach to training and retaining portfolio managers and other research, advisory and management personnel. The Board also considered BlackRock's overall risk management program, including the continued efforts of BlackRock and its affiliates to address cybersecurity risks and the role of BlackRock's Risk & Quantitative Analysis Group. The Board engaged in a review of BlackRock's compensation structure with respect to the Fund's portfolio management team and BlackRock's ability to attract and retain high-quality talent and create performance incentives.

In addition to investment advisory services, the Board considered the nature and quality of the administrative and other non-investment advisory services provided to the Fund. BlackRock and its affiliates provide the Fund with certain administrative, shareholder and other services (in addition to any such services provided to the Fund by third parties) and officers and other personnel as are necessary for the operations of the Fund. In particular, BlackRock and its affiliates provide the Fund with administrative services including, among others: (i) responsibility for disclosure documents, such as the prospectus, the summary prospectus (as applicable), the statement of additional information and periodic shareholder reports; (ii) oversight of daily accounting and pricing; (iii) responsibility for periodic filings with regulators; (iv) overseeing and coordinating the activities of third-party service providers including, among others, the Fund's custodian, fund accountant, transfer agent, and auditor; (v) organizing Board meetings and preparing the materials for such Board meetings; (vi) providing legal and compliance support; (vii) furnishing analytical and other support to assist the Board in its consideration of strategic issues such as the merger, consolidation or repurposing of certain open-end funds; and (viii) performing or managing administrative functions necessary for the operation of the Fund, such as tax reporting, expense management, fulfilling regulatory filing requirements, overseeing the Fund's distribution partners, and shareholder call center and other services. The Board reviewed the structure and duties of BlackRock's fund administration, shareholder services, and legal and compliance departments and considered BlackRock's policies and procedures for assuring compliance with applicable laws and regulations. The Board considered the operation of BlackRock's business continuity plans.

The Board noted that the engagement of the Sub-Advisor with respect to the Fund facilitates the provision of investment advice and trading by investment personnel out of non-U.S. jurisdictions. The Board considered that this arrangement provides additional flexibility to the portfolio management team, which may benefit the Fund and its shareholders.

B: The Investment Performance of the Fund and BlackRock

The Board, including the Independent Board Members, reviewed and considered the performance history of the Fund throughout the year and at the April Meeting. In preparation for the April Meeting, the Board was provided with reports independently prepared by Broadridge, which included an analysis of the Fund's performance as of December 31, 2022, as compared to its Performance Peers. Broadridge ranks funds in quartiles, ranging from first to fourth, where first is the most desirable quartile position and fourth is the least desirable. In connection with its review, the Board received and reviewed information regarding the investment performance of the Fund as compared to its Performance Peers and the respective Morningstar Category ("Morningstar Category"). The Board and its Performance Oversight Committee regularly review and meet with Fund management to discuss the performance of the Fund throughout the year.

In evaluating performance, the Board focused particular attention on funds with less favorable performance records. The Board also noted that while it found the data provided by Broadridge generally useful, it recognized the limitations of such data, including in particular, that notable differences may exist between a fund and its Performance Peers (for example, the investment objectives and strategies). Further, the Board recognized that the performance data reflects a snapshot of a period as of a particular date and that selecting a different performance period could produce significantly different results. The Board also acknowledged that long-term performance could be impacted by even one period of significant outperformance or underperformance, and that a single investment theme could have the ability to disproportionately affect long-term performance.

The Board noted that for the one-, three- and five-year periods reported, the Fund ranked in the fourth, second and second quartiles, respectively, against its Morningstar Category. The Board noted that BlackRock believes that the Morningstar Category is an appropriate performance metric for the Fund, and that BlackRock has explained its rationale for this belief to the Board. The Board and BlackRock reviewed the Fund's underperformance relative to its Morningstar Category during the applicable period.

C: Consideration of the Advisory/Management Fees and the Estimated Cost of the Services and Estimated Profits Realized by BlackRock and its Affiliates from their Relationship with the Fund

The Board, including the Independent Board Members, reviewed the Fund's contractual management fee rate compared with those of its Expense Peers. The contractual management fee rate represents a combination of the advisory fee and any administrative fees, before taking into account any reimbursements or fee waivers. The Board also compared the Fund's total expense ratio, as well as its actual management fee rate, to those of its Expense Peers. The total expense ratio represents a fund's total net operating expenses, including any 12b-1 or non-12b-1 service fees. The total expense ratio gives effect to any expense reimbursements or fee waivers, and the actual management fee rate gives effect to any management fee reimbursements or waivers. The Board considered that the fee and expense information in the Broadridge report for the Fund reflected information for a specific period and that historical asset levels and expenses may differ from current levels, particularly in a period of market volatility. The

Board considered the services provided and the fees charged by BlackRock and its affiliates to other types of clients with similar investment mandates, as applicable, including institutional accounts and sub-advised mutual funds (including mutual funds sponsored by third parties).

The Board received and reviewed statements relating to BlackRock's financial condition. The Board reviewed BlackRock's profitability methodology and was also provided with an estimated profitability analysis that detailed the revenues earned and the expenses incurred by BlackRock for services provided to the Fund. The Board reviewed BlackRock's estimated profitability with respect to the Fund and other funds the Board currently oversees for the year ended December 31, 2022 compared to available aggregate estimated profitability data provided for the prior two years. The Board reviewed BlackRock's estimated profitability with respect to certain other U.S. fund complexes managed by the Manager and/or its affiliates. The Board reviewed BlackRock's assumptions and methodology of allocating expenses in the estimated profitability analysis, noting the inherent limitations in allocating costs among various advisory products. The Board recognized that profitability may be affected by numerous factors including, among other things, fee waivers and expense reimbursements by the Manager, the types of funds managed, precision of expense allocations and business mix. The Board thus recognized that calculating and comparing profitability at the individual fund level is difficult.

The Board noted that, in general, individual fund or product line profitability of other advisors is not publicly available. The Board reviewed BlackRock's overall operating margin, in general, compared to that of certain other publicly traded asset management firms. The Board considered the differences between BlackRock and these other firms, including the contribution of technology at BlackRock, BlackRock's expense management, and the relative product mix.

The Board considered whether BlackRock has the financial resources necessary to attract and retain high quality investment management personnel to perform its obligations under the Agreements and to continue to provide the high quality of services that is expected by the Board. The Board further considered factors including but not limited to BlackRock's commitment of time and resources, assumption of risk, and liability profile in servicing the Fund, including in contrast to what is required of BlackRock with respect to other products with similar investment mandates across the open-end fund, ETF, closed-end fund, sub-advised mutual fund, separately managed account, collective investment trust, and institutional separate account product channels, as applicable.

The Board noted that the Fund's contractual management fee rate ranked in the second quartile, and that the actual management fee rate and total expense ratio each ranked in the second quartile relative to the Fund's Expense Peers. The Board further noted that the Fund has an advisory fee arrangement that includes breakpoints that adjust the fee rate downward as the size of the Fund increases above certain contractually specified levels. The Board additionally noted that the breakpoints can, conversely, adjust the advisory fee rate upward as the size of the Fund decreases below certain contractually specified levels. The Board also noted that BlackRock and the Board have contractually agreed to a cap on the Fund's total expenses as a percentage of the Fund's average daily net assets on a class-by-class basis.

D: Economies of Scale

The Board, including the Independent Board Members, considered the extent to which economies of scale might be realized as the assets of the Fund increase, including the existence of fee waivers and/or expense caps, as applicable, noting that any contractual fee waivers and contractual expense caps had been approved by the Board. In its consideration, the Board further considered the continuation and/or implementation of fee waivers and/or expense caps, as applicable. The Board also considered the extent to which the Fund benefits from such economies of scale in a variety of ways, and whether there should be changes in the advisory fee rate or breakpoint structure in order to enable the Fund to more fully participate in these economies of scale. The Board considered the Fund's asset levels and whether the current fee schedule was appropriate.

E: Other Factors Deemed Relevant by the Board Members

The Board, including the Independent Board Members, also took into account other ancillary or "fall-out" benefits that BlackRock or its affiliates may derive from BlackRock's respective relationships with the Fund, both tangible and intangible, such as BlackRock's ability to leverage its investment professionals who manage other portfolios and its risk management personnel, an increase in BlackRock's profile in the investment advisory community, and the engagement of BlackRock's affiliates as service providers to the Fund, including for administrative, distribution, securities lending and cash management services. With respect to securities lending, during the year the Board also considered information provided by independent third-party consultants related to the performance of each BlackRock affiliate as securities lending agent. The Board also considered BlackRock's overall operations and its efforts to expand the scale of, and improve the quality of, its operations. The Board also noted that, subject to applicable law, BlackRock may use and benefit from third-party research obtained by soft dollars generated by certain registered fund transactions to assist in managing all or a number of its other client accounts.

In connection with its consideration of the Agreements, the Board also received information regarding BlackRock's brokerage and soft dollar practices. The Board received reports from BlackRock which included information on brokerage commissions and trade execution practices throughout the year.

The Board noted the competitive nature of the open-end fund marketplace, and that shareholders are able to redeem their Fund shares if they believe that the Fund's fees and expenses are too high or if they are dissatisfied with the performance of the Fund.

Conclusion

At the May Meeting, in a continuation of the discussions that occurred during the April Meeting, and as a culmination of the Board's year-long deliberative process, the Board, including the Independent Board Members, unanimously approved the continuation of the Advisory Agreement between the Manager and the Trust, on behalf of the Fund, for a one-year term ending June 30, 2024, and the Sub-Advisory Agreement between the Manager and the Sub-Advisor, with respect to the Fund, for a one-year term ending June 30, 2024. Based upon its evaluation of all of the aforementioned factors in their totality, as well as other information, the Board, including the Independent Board Members, was satisfied that the terms of the Agreements were fair and reasonable and in the best interest of the Fund and its shareholders. In arriving at its decision to approve the Agreements, the Board did not identify any single factor or group of factors as all-important or controlling, but considered all factors together, and different Board Members may have attributed different weights to the various factors considered. The Independent Board Members were advised by independent legal counsel throughout the deliberative process.

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Independent Trustees[a]

Name Year of Birth[b]	Position(s) Held (Length of Service)[c]	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen	Public Company and Other Investment Company Directorships Held During Past 5 Years
Mark Stalnecker 1951	Chair of the Board (Since 2019) and Trustee (Since 2015)	Chief Investment Officer, University of Delaware from 1999 to 2013; Trustee and Chair of the Finance and Investment Committees, Winterthur Museum and Country Estate from 2005 to 2016; Member of the Investment Committee, Delaware Public Employees' Retirement System since 2002; Member of the Investment Committee, Christiana Care Health System from 2009 to 2017; Member of the Investment Committee, Delaware Community Foundation from 2013 to 2014; Director and Chair of the Audit Committee, SEI Private Trust Co. from 2001 to 2014.	28 RICs consisting of 167 Portfolios	None
Susan J. Carter 1956	Trustee (Since 2016)	Trustee, Financial Accounting Foundation from 2017 to 2021; Advisory Board Member, Center for Private Equity and Entrepreneurship at Tuck School of Business from 1997 to 2021; Director, Pacific Pension Institute from 2014 to 2018; Senior Advisor, Commonfund Capital, Inc. ("CCI") (investment adviser) in 2015; Chief Executive Officer, CCI from 2013 to 2014; President & Chief Executive Officer, CCI from 1997 to 2013; Advisory Board Member, Girls Who Invest from 2015 to 2018 and Board Member thereof from 2018 to 2022; Advisory Board Member, Bridges Fund Management since 2016; Practitioner Advisory Board Member, Private Capital Research Institute ("PCRI") since 2017; Lecturer in the Practice of Management, Yale School of Management since 2019; Advisor to Finance Committee, Altman Foundation since 2020; Investment Committee Member, Tostan since 2021; Member of the President's Counsel, Commonfund since 2023.	28 RICs consisting of 167 Portfolios	None
Collette Chilton 1958	Trustee (Since 2015)	Chief Investment Officer, Williams College since 2006; Chief Investment Officer, Lucent Asset Management Corporation from 1998 to 2006; Director, Boys and Girls Club of Boston since 2017; Director, B1 Capital since 2018; Director, David and Lucile Packard Foundation since 2020.	28 RICs consisting of 167 Portfolios	None
Neil A. Cotty 1954	Trustee (Since 2016)	Bank of America Corporation from 1996 to 2015, serving in various senior finance leadership roles, including Chief Accounting Officer from 2009 to 2015, Chief Financial Officer of Global Banking, Markets and Wealth Management from 2008 to 2009, Chief Accounting Officer from 2004 to 2008, Chief Financial Officer of Consumer Bank from 2003 to 2004, Chief Financial Officer of Global Corporate Investment Bank from 1999 to 2002.	28 RICs consisting of 167 Portfolios	None
Lena G. Goldberg 1949	Trustee (Since 2019)	Director, Pioneer Legal Institute since 2023; Director, Charles Stark Draper Laboratory, Inc. from 2013 to 2021; Senior Lecturer, Harvard Business School from 2008 to 2021; FMR LLC/Fidelity Investments (financial services) from 1996 to 2008, serving in various senior roles including Executive Vice President - Strategic Corporate Initiatives and Executive Vice President and General Counsel; Partner, Sullivan & Worcester LLP from 1985 to 1996 and Associate thereof from 1979 to 1985.	28 RICs consisting of 167 Portfolios	None

Independent Trustees[(a)]

Name Year of Birth[(b)]	Position(s) Held (Length of Service)[(c)]	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen	Public Company and Other Investment Company Directorships Held During Past 5 Years
Henry R. Keizer 1956	Trustee (Since 2019)	Director, Park Indemnity Ltd. (captive insurer) from 2010 to 2022.	28 RICs consisting of 167 Portfolios	GrafTech International Ltd. (materials manufacturing); Sealed Air Corp. (packaging); WABCO (commercial vehicle safety systems) from 2015 to 2020; Hertz Global Holdings (car rental) from 2015 to 2021.
Cynthia A. Montgomery 1952	Trustee (Since 2007)	Professor, Harvard Business School since 1989.	28 RICs consisting of 167 Portfolios	None
Donald C. Opatrny 1952	Trustee (Since 2019)	Chair of the Board of Phoenix Art Museum since 2022 and Trustee thereof since 2018; Chair of the Investment Committee of The Arizona Community Foundation since 2022 and trustee thereof since 2020; Director, Athena Capital Advisors LLC (investment management firm) from 2013 to 2020; Trustee, Vice Chair, Member of the Executive Committee and Chair of the Investment Committee, Cornell University from 2004 to 2019; President and Trustee, the Center for the Arts, Jackson Hole from 2011 to 2018; Member of the Board and Investment Committee, University School from 2007 to 2018; Member of Affordable Housing Supply Board of Jackson, Wyoming since 2017; Member, Investment Funds Committee, State of Wyoming since 2017; Trustee, Artstor (a Mellon Foundation affiliate) from 2010 to 2015; Member of the Investment Committee, Mellon Foundation from 2009 to 2015; President, Trustee and Member of the Investment Committee, The Aldrich Contemporary Art Museum from 2007 to 2014; Trustee and Chair of the Investment Committee, Community Foundation of Jackson Hole since 2014.	28 RICs consisting of 167 Portfolios	None
Kenneth L. Urish 1951	Trustee (Since 2007)	Managing Partner, Urish Popeck & Co., LLC (certified public accountants and consultants) since 1976; Past-Chairman of the Professional Ethics Committee of the Pennsylvania Institute of Certified Public Accountants and Committee Member thereof since 2007;Member of External Advisory Board, The Pennsylvania State University Accounting Department since 2001, Emeritus since 2022; Principal, UP Strategic Wealth Investment Advisors, LLC since 2013; Trustee, The Holy Family Institute from 2001 to 2010; President and Trustee, Pittsburgh Catholic Publishing Associates from 2003 to 2008; Director, Inter-Tel from 2006 to 2007; Member, Advisory Board, ESG Competent Boards since 2020.	28 RICs consisting of 167 Portfolios	None

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Independent Trustees[a]

Name Year of Birth[b]	Position(s) Held (Length of Service)[c]	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen	Public Company and Other Investment Company Directorships Held During Past 5 Years
Claire A. Walton 1957	Trustee (Since 2016)	Advisory Board Member, Grossman School of Business at the University of Vermont since 2023; Advisory Board Member, Scientific Financial Systems since 2022; General Partner of Neon Liberty Capital Management, LLC since 2003; Chief Operating Officer and Chief Financial Officer of Liberty Square Asset Management, LP from 1998 to 2015; Director, Boston Hedge Fund Group from 2009 to 2018; Director, Massachusetts Council on Economic Education from 2013 to 2015; Director, Woodstock Ski Runners from 2013 to 2022.	28 RICs consisting of 167 Portfolios	None

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Interested Trustees[(a)(d)]

Name Year of Birth[(b)]	Position(s) Held (Length of Service)[(c)]	Principal Occupation(s) During Past 5 Years	Number of BlackRock-Advised Registered Investment Companies ("RICs") Consisting of Investment Portfolios ("Portfolios") Overseen	Public Company and Other Investment Company Directorships Held During Past 5 Years
Robert Fairbairn 1965	Trustee (Since 2018)	Vice Chairman of BlackRock, Inc. since 2019; Member of BlackRock's Global Executive and Global Operating Committees; Co-Chair of BlackRock's Human Capital Committee; Senior Managing Director of BlackRock, Inc. from 2010 to 2019; oversaw BlackRock's Strategic Partner Program and Strategic Product Management Group from 2012 to 2019; Member of the Board of Managers of BlackRock Investments, LLC from 2011 to 2018; Global Head of BlackRock's Retail and iShares® businesses from 2012 to 2016.	98 RICs consisting of 268 Portfolios	None
John M. Perlowski[(e)] 1964	Trustee (Since 2015) President and Chief Executive Officer (Since 2010)	Managing Director of BlackRock, Inc. since 2009; Head of BlackRock Global Accounting and Product Services since 2009; Advisory Director of Family Resource Network (charitable foundation) since 2009.	100 RICs consisting of 270 Portfolios	None

(a) The address of each Trustee is c/o BlackRock, Inc., 50 Hudson Yards, New York, NY 10001.

(b) Independent Trustees serve until their resignation, retirement, removal or death, or until December 31 of the year in which they turn 75. The Board may determine to extend the terms of Independent Trustees on a case-by-case basis, as appropriate.

(c) Following the combination of Merrill Lynch Investment Managers, L.P. ("MLIM") and BlackRock, Inc. in September 2006, the various legacy MLIM and legacy BlackRock fund boards were realigned and consolidated into three new fund boards in 2007. Furthermore, effective January 1, 2019, three BlackRock Fund Complexes were realigned and consolidated into two BlackRock Fund Complexes. As a result, although the chart shows the year that each Independent Trustee joined the Board, certain Independent Trustees first became members of the boards of other BlackRock-advised Funds, legacy MLIM funds or legacy BlackRock funds as follows: Cynthia A. Montgomery, 1994; Kenneth L. Urish, 1999; Lena G. Goldberg, 2016; Henry R. Keizer, 2016; Donald C. Opatrny, 2015.

(d) Mr. Fairbairn and Mr. Perlowski are both "interested persons," as defined in the 1940 Act, of the Trust based on their positions with BlackRock, Inc. and its affiliates. Mr. Fairbairn and Mr. Perlowski are also board members of the BlackRock Fixed-Income Complex.

(e) Mr. Perlowski is also a trustee of the BlackRock Credit Strategies Fund and BlackRock Private Investments Fund.

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Officers Who Are Not Trustees[a]

Name Year of Birth[b]	Position(s) Held (Length of Service)	Principal Occupation(s) During Past 5 Years
Roland Villacorta 1971	Vice President (Since 2022)	Managing Director of BlackRock, Inc. since 2022; Head of Global Cash Management and Head of Securities Lending within BlackRock's Portfolio Management Group since 2022; Member of BlackRock's Global Operating Committee since 2022; Head of Portfolio Management in BlackRock's Financial Markets Advisory Group within BlackRock Solutions from 2008 to 2015; Co-Head of BlackRock Solutions' Portfolio Analytics Group; previously Mr. Villacorta was Co-Head of Fixed Income within BlackRock's Risk & Quantitative Analysis Group.
Jennifer McGovern 1977	Vice President (Since 2014)	Managing Director of BlackRock, Inc. since 2016; Director of BlackRock, Inc. from 2011 to 2015; Head of Americas Product Development and Governance for BlackRock's Global Product Group since 2019; Head of Product Structure and Oversight for BlackRock's U.S. Wealth Advisory Group from 2013 to 2019.
Trent Walker 1974	Chief Financial Officer (Since 2021)	Managing Director of BlackRock, Inc. since September 2019; Executive Vice President of PIMCO from 2016 to 2019; Senior Vice President of PIMCO from 2008 to 2015; Treasurer from 2013 to 2019 and Assistant Treasurer from 2007 to 2017 of PIMCO Funds, PIMCO Variable Insurance Trust, PIMCO ETF Trust, PIMCO Equity Series, PIMCO Equity Series VIT, PIMCO Managed Accounts Trust, 2 PIMCO-sponsored interval funds and 21 PIMCO-sponsored closed-end funds.
Jay M. Fife 1970	Treasurer (Since 2007)	Managing Director of BlackRock, Inc. since 2007.
Charles Park 1967	Chief Compliance Officer (Since 2014)	Anti-Money Laundering Compliance Officer for certain BlackRock-advised Funds from 2014 to 2015; Chief Compliance Officer of BlackRock Advisors, LLC and the BlackRock-advised Funds in the BlackRock Multi-Asset Complex and the BlackRock Fixed-Income Complex since 2014; Principal of and Chief Compliance Officer for iShares® Delaware Trust Sponsor LLC since 2012 and BlackRock Fund Advisors ("BFA") since 2006; Chief Compliance Officer for the BFA-advised iShares® exchange traded funds since 2006; Chief Compliance Officer for BlackRock Asset Management International Inc. since 2012.
Lisa Belle 1968	Anti-Money Laundering Compliance Officer (Since 2019)	Managing Director of BlackRock, Inc. since 2019; Global Financial Crime Head for Asset and Wealth Management of JP Morgan from 2013 to 2019; Managing Director of RBS Securities from 2012 to 2013; Head of Financial Crimes for Barclays Wealth Americas from 2010 to 2012.
Janey Ahn 1975	Secretary (Since 2019)	Managing Director of BlackRock, Inc. since 2018; Director of BlackRock, Inc. from 2009 to 2017.

(a) The address of each Officer is c/o BlackRock, Inc., 50 Hudson Yards, New York, NY 10001.

(b) Officers of the Trust serve at the pleasure of the Board.

Further information about the Trust's Trustees and Officers is available in the Trust's Statement of Additional Information, which can be obtained without charge by calling (800) 441-7762.

Effective December 31, 2022, Joseph P. Platt retired as a Trustee of the Trust.

Effective July 1, 2023, Aaron Wasserman replaced Charles Park as Chief Compliance Officer of the Trust.

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Additional Information

Tailored Shareholder Reports for Mutual Funds and ETFs

Effective January 24, 2023, the SEC adopted rule and form amendments to require mutual funds and ETFs to transmit concise and visually engaging streamlined annual and semiannual reports to shareholders that highlight key information. Other information, including financial statements, will no longer appear in a streamlined shareholder report but must be available online, delivered free of charge upon request, and filed on a semiannual basis on Form N-CSR. The rule and form amendments have a compliance date of July 24, 2024. At this time, management is evaluating the impact of these amendments on the shareholder reports for the Fund.

General Information

Quarterly performance, semi-annual and annual reports, current net asset value and other information regarding the Fund may be found on BlackRock's website, which can be accessed at **blackrock.com.** Any reference to BlackRock's website in this report is intended to allow investors public access to information regarding the Fund and does not, and is not intended to, incorporate BlackRock's website in this report.

Householding

The Fund will mail only one copy of shareholder documents, including prospectuses, annual and semi-annual reports, Rule 30e-3 notices and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called "householding" and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Fund at (800) 441-7762.

Availability of Quarterly Schedule of Investments

The Fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year as an exhibit to its reports on Form N-PORT. The Fund's Form N-PORT is available on the SEC's website at **sec.gov**. Additionally, the Fund makes its portfolio holdings for the first and third quarters of each fiscal year available at **blackrock.com/fundreports.**

Availability of Proxy Voting Policies, Procedures and Voting Records

A description of the policies and procedures that the Fund uses to determine how to vote proxies relating to portfolio securities and information about how the Fund voted proxies relating to securities held in the Fund's portfolio during the most recent 12-month period ended June 30 is available without charge, upon request (1) by calling (800) 441-7762; (2) on the BlackRock website at **blackrock.com**; and (3) on the SEC's website at **sec.gov**.

BlackRock's Mutual Fund Family

BlackRock offers a diverse lineup of open-end mutual funds crossing all investment styles and managed by experts in equity, fixed-income and tax-exempt investing. Visit **blackrock.com** for more information.

Shareholder Privileges

Account Information

Call us at (800) 441-7762 from 8:00 AM to 6:00 PM ET on any business day to get information about your account balances, recent transactions and share prices. You can also visit **blackrock.com** for more information**.**

Automatic Investment Plans

Investor class shareholders who want to invest regularly can arrange to have $50 or more automatically deducted from their checking or savings account and invested in any of the BlackRock funds.

Systematic Withdrawal Plans

Investor class shareholders can establish a systematic withdrawal plan and receive periodic payments of $50 or more from their BlackRock funds, as long as their account balance is at least $10,000.

Retirement Plans

Shareholders may make investments in conjunction with Traditional, Rollover, Roth, Coverdell, Simple IRAs, SEP IRAs and 403(b) Plans.

BlackRock Privacy Principles

BlackRock is committed to maintaining the privacy of its current and former fund investors and individual clients (collectively, "Clients") and to safeguarding their non-public personal information. The following information is provided to help you understand what personal information BlackRock collects, how we protect that information and why in certain cases we share such information with select parties.

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If you are located in a jurisdiction where specific laws, rules or regulations require BlackRock to provide you with additional or different privacy-related rights beyond what is set forth below, then BlackRock will comply with those specific laws, rules or regulations.

BlackRock obtains or verifies personal non-public information from and about you from different sources, including the following: (i) information we receive from you or, if applicable, your financial intermediary, on applications, forms or other documents; (ii) information about your transactions with us, our affiliates, or others; (iii) information we receive from a consumer reporting agency; and (iv) from visits to our websites.

BlackRock does not sell or disclose to non-affiliated third parties any non-public personal information about its Clients, except as permitted by law or as is necessary to respond to regulatory requests or to service Client accounts. These non-affiliated third parties are required to protect the confidentiality and security of this information and to use it only for its intended purpose.

We may share information with our affiliates to service your account or to provide you with information about other BlackRock products or services that may be of interest to you. In addition, BlackRock restricts access to non-public personal information about its Clients to those BlackRock employees with a legitimate business need for the information. BlackRock maintains physical, electronic and procedural safeguards that are designed to protect the non-public personal information of its Clients, including procedures relating to the proper storage and disposal of such information.

Fund and Service Providers

Investment Adviser and Administrator
BlackRock Advisors, LLC
Wilmington, DE 19809

Sub-Adviser
BlackRock International Limited
Edinburgh, EH3 8BL
United Kingdom

Accounting Agent and Transfer Agent
BNY Mellon Investment Servicing (US) Inc.
Wilmington, DE 19809

Custodian
The Bank of New York Mellon
New York, NY 10286

Distributor
BlackRock Investments, LLC
New York, NY 10001

Independent Registered Public Accounting Firm
Deloitte & Touche LLP
Boston, MA 02116

Legal Counsel
Sidley Austin LLP
New York, NY 10019

Address of the Trust
100 Bellevue Parkway
Wilmington, DE 19809

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Glossary of Terms Used in this Report

Currency Abbreviation

CAD	Canadian Dollar
GBP	British Pound
USD	United States Dollar

Portfolio Abbreviation

ADR	American Depositary Receipt
BCOMAGTR	Bloomberg Agriculture Subindex^{SM}
BCOMENTR	Bloomberg Select Energy Subindex Total Return^{SM}
BCOMINTR	Bloomberg Industrial Metals Subindex^{SM}
BCOMLITR	Bloomberg Livestock Subindex^{SM}
BCOMPRTR	Bloomberg Precious Metals Subindex^{SM}
BCOMRAGT	Bloomberg Roll Select Agriculture Subindex Total Return^{SM}
BCOMRENT	Bloomberg Roll Select Energy Subindex Total Return ^{SM}
BCOMRINT	Bloomberg Roll Select Industrial Metals Subindex Total Return^{SM}
BCOMRLIT	Bloomberg Roll Select Livestock Subindex Total Return^{SM}
BCOMRPRT	Bloomberg Roll Select Precious Metals Subindex Total Return^{SM}
CVR	Contingent Value Rights
OTC	Over-the-Counter

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Want to know more?

blackrock.com | 800-441-7762

This report is intended for current holders. It is not authorized for use as an offer of sale or a solicitation of an offer to buy shares of the Fund unless preceded or accompanied by the Fund's current prospectus. Past performance results shown in this report should not be considered a representation of future performance. Investment returns and principal value of shares will fluctuate so that shares, when redeemed, may be worth more or less than their original cost. Statements and other information herein are as dated and are subject to change.

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