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**If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

The Directors whose names appear in section 3 (“Management and Administration”) of this Prospectus, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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**BlackRock Solutions Funds ICAV**

(an Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 and the UCITS Regulations (as defined herein))

**Prospectus**

**16 January 2026**

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## 1. INTRODUCTION TO BLACKROCK SOLUTIONS FUNDS ICAV

BlackRock Solutions Funds ICAV (the “ICAV”) is an Irish collective asset-management vehicle registered on 20 July 2020. The ICAV is authorised in Ireland by the Central Bank of Ireland as a UCITS for the purposes of the UCITS Regulations. The following summary is qualified in its entirety by reference to the more detailed information included elsewhere in this Prospectus.

### Structure

The ICAV is an Irish collective asset-management vehicle constituted as an umbrella vehicle, insofar as each Fund of the ICAV, as listed in the Fund Schedule Supplement, will constitute a separate sub-fund within the ICAV’s structure. The assets of each Fund will be invested in accordance with the investment objectives and policies applicable to that Fund. This Prospectus sets out general information relating to the ICAV. The Directors may from time to time establish further Funds with the prior approval of the Central Bank, details of which will be set out in this Prospectus and/or one or more supplements (each a “Supplement”), which may contain additional information or information relating to separate Funds. If there are different Classes of Shares representing a Fund, details relating to the separate Classes are set out in the section headed “Share Classes” or may be dealt with in the relevant Supplement or in separate Supplements for each Class. The creation of further Classes of Shares will be effected in accordance with the requirements of the Central Bank. This Prospectus and any Supplements should be read and constituted as one document.

### The Funds

A list of all Funds of the ICAV currently approved by the Central Bank of Ireland is contained in the Fund Schedule Supplement.

The investment objective and policy in respect of each Fund is described in the section entitled “Investment Objectives and Policies” of the Supplement for each Fund. Certain of the Funds are passively managed and aim to track the return of their respective Benchmark Indices (“Index Tracking Funds”), using either a replicating strategy or a non-replicating strategy to do so (as further described below). The other Funds are actively managed, which means that they do not aim to track the return of any Benchmark Index (again as further described below).

### INDEX TRACKING FUNDS – STRATEGIES

#### *Replicating Strategy*

Replicating Index Tracking Funds seek to replicate as closely as possible the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in similar proportions to their weightings in the Benchmark Index and in doing so will apply the investment limits set out in Part 4 of Appendix B. It may not, however, always be possible or practicable to purchase each and every constituent of the Benchmark Index in accordance with the weightings of the Benchmark Index, or doing so may be detrimental to Shareholders (for example, where there are considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the Benchmark Index, or in circumstances where a security in the Benchmark Index becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions that apply to the Fund but not to the Benchmark Index). Replicating Index Tracking Funds as per the Central Bank UCITS Regulations will state the intent to avail of the higher investment limits set out in Part 4 of Appendix B in their investment policy.

#### *Non-replicating Strategy*

Certain Index Tracking Funds may not use a replicating strategy and are therefore not permitted to avail of the higher investment limits set out in Part 4 of Appendix B which may apply to replicating funds. Non-replicating Index Tracking Funds may, or may not, hold every security or the exact concentration of a security in its Benchmark Index, but will aim to track its Benchmark Index as closely as possible and may use optimisation techniques to achieve its investment objective. Optimisation techniques are techniques used by a non-replicating Index Tracking Fund to achieve a similar return to its Benchmark Index. These techniques may include the strategic selection of certain securities that make up the Benchmark Index or other securities which provide similar performance to certain constituent securities. The extent to which a non-replicating Index Tracking Fund uses optimisation techniques will depend on the nature of the constituents of its Benchmark Index, the practicalities and cost of tracking the relevant Benchmark Index, and such use is at the discretion of the Investment Manager. For example, a non-replicating Index Tracking Fund may use optimisation techniques extensively and may be able to provide a return similar to that of its Benchmark Index by investing only in a relatively small number of the constituents of its Benchmark Index. The non-replicating Index Tracking Fund may also hold some securities which provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index even if such securities are not themselves constituents of the Benchmark Index and may exceed the number of constituents of the Benchmark Index. The use of optimisation techniques, implementation of which is subject to a number of constraints such as those detailed in Appendix A which apply to investment in FDIs, may not produce the intended results.

*Use of FDI by Index Tracking Funds*

In certain circumstances, in the context of the Index Tracking Funds, there may be considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the relevant Benchmark Index, or a security in the relevant Benchmark Index becomes temporarily illiquid, unavailable or less liquid. In such circumstances, an Index Tracking Fund may, where consistent with its investment policy as set out in the section entitled “Investment Objective and Policies” for the relevant Fund, instead engage in transactions in FDI for efficient portfolio management purposes and/or for direct investment purposes (for further information, see Appendix A). Accordingly, an Index Tracking Fund may use FDI, where consistent with its investment policy as set out in the relevant Supplement, for direct investment, where appropriate, to assist in achieving its objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Benchmark Index or to the Benchmark Index itself, in producing a return similar to the return of the Benchmark Index, in reducing transaction costs or taxes or in allowing exposure in the case of illiquid securities or securities which are unavailable for market or regulatory reasons or minimising tracking errors or for such other reasons as the Directors deem of benefit to the Index Tracking Fund.

*Anticipated Tracking Error of the Index Tracking Funds*

Tracking error is the annualised standard deviation of the difference in monthly returns between an Index Tracking Fund and its Benchmark Index. Tracking error shows the consistency of the returns relative to the Benchmark Index over a defined period of time.

Anticipated tracking error is based on the expected volatility of differences between the returns of the relevant Index Tracking Fund and the returns of its Benchmark Index. One of the primary drivers of tracking error is the difference between Index Tracking Fund holdings and Benchmark Index constituents. Cash management and trading costs from rebalancing can also have an impact on tracking error as well as the return differential between the Index Tracking Fund and the Benchmark Index. The impact can be either positive or negative depending on the underlying circumstances. Further, where an Index Tracking Fund applies an ESG policy in order to take into account ESG characteristics which do not form part of the Index Tracking Fund’s Benchmark Index when selecting investments, additional tracking error may be introduced.

A Fund’s tracking error may be affected if the times at which a Fund and its Benchmark Index are priced are different. Where the Benchmark Index is valued at the time the relevant markets close for business and a Fund is valued at an earlier time, the tracking error of that Fund may appear to be higher than if the Fund and the Benchmark Index were priced at the same time.

In addition, an Index Tracking Fund may also have a tracking error due to tax suffered by the Index Tracking Fund on any income received from its investments. The level and quantum of tracking error arising due to taxes depends on various factors such as any reclaims filed by the Index Tracking Fund with various tax authorities, any benefits obtained by the Index Tracking Fund under a tax treaty or any securities lending activities carried out by the Index Tracking Fund.

The anticipated tracking error of each Index Tracking Fund is not a guide to future performance.

**ACTIVELY MANAGED FUNDS - STRATEGIES**

Where the relevant Funds are actively managed, this means that they either pursue an enhanced index strategy, which means that, while investing in a similar universe of investments as their respective Benchmark Indices, they aim to achieve some outperformance (gross of fees) of their respective Benchmark Indices (“Enhanced Index Funds”) by taking overweight and/or underweight positions relative to the Benchmark Indices, in each case as further set out in the relevant Supplement or do not aim to track the return of any benchmark index but may have regard to a benchmark index in constructing the Fund’s portfolio, for performance comparison, risk management and/or for other purposes (“Actively Managed Funds”).

**An investment in an Actively Managed Fund should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Please refer to section 6 (“Risk Factors”) of this Prospectus for further details.**

**Investment Objectives and Policies***General*

The investment objective and policies for each Fund and the investment restrictions in relation thereto will be formulated by the Directors, in consultation with the Manager, at the time of creation of such Fund and will be set out in the relevant

Supplement. Each Fund aims to achieve its investment objective, as set out in the relevant Supplement.

#### *Alteration of Investment Objective or Policies*

Any alteration to the investment objective or a material alteration to the investment policies of a Fund will be subject to the prior approval by Ordinary Resolution of the Shareholders of the relevant Fund. Subject to the Shareholders of the relevant Fund approving the alteration to the investment objective and/or the material alteration to the investment policies of the relevant Fund, the investment objective and/or investment policies of the relevant Fund will be amended. Shareholders will be provided with reasonable notice prior to the implementation of any alteration to the investment objective or material alteration to the investment policies of a Fund. Non-material changes to the investment policies of a Fund may be made by the Manager from time to time and will be disclosed in the periodic reports of the ICAV.

#### *Change of a Fund's Benchmark Index*

A Fund may make use of an index for investment purposes in a replicating or non-replicating strategy, as a benchmark in accordance with which, or by reference to which, the Fund is managed or for performance comparison purposes.

The constituents of a Fund's Benchmark Index and, where applicable, ESG criteria and selection methodology may change over time. Potential investors in a Fund may obtain a breakdown of the constituents of the relevant Benchmark Index from the website of the index provider (as referred to in the description of the relevant Benchmark Index in the relevant Supplement.).

There is no assurance that a Fund's Benchmark Index will continue to be calculated and published on the basis described in this Prospectus or that it will not be amended significantly. The past performance of a Fund's Benchmark Index is not a guide to future performance.

The Manager reserves the right, if it considers it in the interest of the ICAV or any Fund to do so, to substitute another index for the Benchmark Index if:

- (a) the weightings of constituent securities of the Benchmark Index would cause the ICAV and/or a Fund to be in breach of the UCITS Regulations and/or any tax law or tax regulations that the Manager may consider to have a material impact on the ICAV and/or any Fund;
- (b) the Benchmark Index or index series ceases to exist;
- (c) a new index becomes available which supersedes the Benchmark Index;
- (d) a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as greater benefit to the Shareholders than the Benchmark Index;
- (e) it becomes difficult to invest in stocks comprised within the Benchmark Index;
- (f) the provider of the Benchmark Index increases its charges to a level which the Manager considers too high;
- (g) the quality (including accuracy and availability of data) of the Benchmark Index has, in the opinion of the Manager, deteriorated;
- (h) a liquid futures market relating to the transferable securities included in the Benchmark Index ceases to be available; or
- (i) where an index becomes available which more accurately represents the likely tax treatment of the investing Fund in relation to the component securities in that index.

Where such a substitution would require an amendment to the investment objective of a Fund or a material amendment to a Fund's investment policies, Shareholder approval will be as detailed in the sub-section above headed "Alteration of Investment Objective or Policy". In circumstances where immediate action is required and it is not possible to obtain Shareholder approval in advance of a change in a Fund's Benchmark Index, Shareholder approval will be sought for either the change in the Benchmark Index or, if not so approved, the winding up of the Fund as soon as practicable and reasonable. Where such a substitution of an index does not require a material amendment to the Fund's investment policies, Shareholders will be notified in advance of the substitution.

Any such substitution of a Benchmark Index will be cleared in advance with the Central Bank, reflected in revised Prospectus documentation and will be noted in the annual and semi-annual reports of the ICAV issued after any substitution takes place. In addition, any material change in the description of a Benchmark Index will be noted in the annual and semi-annual reports of the ICAV.

Where the Manager is unable to substitute another index for the Benchmark Index, the Directors may resolve to seek the winding up of the Fund to the extent reasonable and practicable.

The Manager may change the name of a Fund, particularly if its Benchmark Index, or the name of its Benchmark Index, is changed. Any change to the name of a Fund will be approved in advance by the Central Bank and the relevant documentation pertaining to the relevant Fund will be updated to reflect the new name.

Any of the above changes may have an impact on the tax status of the ICAV and/or a Fund in a jurisdiction. Therefore, it is recommended that investors should consult their professional tax adviser to understand any tax implications of the change in their holdings in the jurisdiction in which they are resident.

#### *Benchmark Regulations Disclosure*

In respect of those Funds that track a Benchmark Index, or are managed by reference to a Benchmark Index, or use a Benchmark Index to compute a performance fee, the Manager works with the applicable benchmark administrators for the Benchmark Indices of such Funds to confirm that the benchmark administrators are, or intend to get themselves, included in the register maintained by ESMA under Regulation (EU) 2016/1011 of the European Parliament and of the Council (the “Benchmark Regulations”).

The list of benchmark administrators that are included in the Benchmark Regulations register is available on ESMA’s website at [www.esma.europa.eu](http://www.esma.europa.eu).

As at the date of this Prospectus, in-scope Benchmark Indices include non-significant benchmark (as defined in the Benchmark Regulations) and the following benchmark administrators of in-scope indices are included in the Benchmark Regulations register:

- MSCI Limited (in respect of the in-scope MSCI indices); and
- Bloomberg Index Services Limited

The benchmark administrators of in-scope indices that are not included in the Benchmarks Regulations register continue to provide in-scope indices on the basis of their current application with ESMA to be included in the Benchmark Regulations register, their application for which was made prior to the end of the transitional period provided under the Benchmark Regulations which is due to end on 31 December 2025.

From 1 January 2026, only the following categories of benchmark indices will be subject to the Benchmark Regulations (each as defined in the Benchmark Regulations):

- Critical Benchmarks
- Significant Benchmarks
- Eu Climate Transition Benchmarks
- Eu Paris-Aligned Benchmarks
- Certain Commodity Benchmarks

The Manager will monitor the Benchmark Regulations register and, if there are any changes, this information, will be updated in the Prospectus at the next opportunity. The Manager has in place and maintains robust written plans setting out the actions that it would take in the event that a benchmark is materially changed or ceases to be provided.

#### *Benchmark Disclaimers*

Certain disclaimers with regard to the use by a Fund of a Benchmark Index are set out in Appendix G.

#### **Important information**

**The ICAV is both authorised and supervised by the Central Bank. The authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus. The authorisation of the ICAV by the Central Bank does not constitute a warranty by the Central Bank as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV.**

**The price of Shares in a Fund may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term.**

**Investors should note that a redemption fee of up to 2% of the redemption proceeds of the Shares being redeemed may be chargeable in respect of that Fund where the Manager, in its reasonable opinion and at its absolute**

**discretion, believes an investor may be engaging in excessive trading. Further information on excessive trading is provided in the sub-section of this Prospectus headed “Excessive Trading Policy”.**

### **Offer of Shares**

This Prospectus contains the particulars of the offering of Shares in each of the Funds. The offer proceeds will be invested by the Funds in accordance with the investment objectives for those Funds set out below, as amended from time to time.

An updated Prospectus or Supplement relating to Shares comprising any new Fund will be issued by the Manager at the time of the establishment of that Fund in accordance with the requirements of the Central Bank.

Application may be made in other jurisdictions to enable the Shares of the Funds to be marketed freely in these jurisdictions.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Ireland, which may be subject to change.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus and the financial reports of the ICAV and, if given or made, such information or representation must not be relied upon as having been authorised by the ICAV. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the ICAV have not changed since the date of this Prospectus.

### **MiFID II**

Authorised intermediaries which offer, recommend or sell Shares in the Funds must comply with all laws, regulations and regulatory requirements as may be applicable to them. Also, such intermediaries should consider such information about the Funds as is made available by the Manager or Investment Manager for the purposes of the EU’s Product Governance regime under MiFID II including, without limitation, target market information.

### **Profile of a Typical Investor**

The Funds are suitable for both retail and professional investors seeking to achieve investment objectives which align with those of the relevant Fund in the context of the investor’s overall portfolio.

Investors are expected to be able to make an investment decision based on the information set out in the Prospectus, any Supplement, and the relevant Fund’s KIID (as defined herein) or, alternatively, to obtain professional advice. Investors should also be able to bear capital and income risk and view investment in a Fund as a medium to long term investment.

### **ESG Integration**

#### *BlackRock’s General Approach*

ESG investing is often conflated or used interchangeably with the term “sustainable investing.” BlackRock has identified sustainable investing as being the overall framework and ESG as a data toolkit for identifying and informing BlackRock’s solutions. BlackRock has defined ESG Integration as the practice of incorporating material ESG information and consideration of sustainability risks into investment decisions in order to enhance risk-adjusted returns. BlackRock recognises the relevance of material ESG information across all asset classes and styles of portfolio management. The Investment Manager may incorporate sustainability considerations in its investment processes across all investment platforms. ESG information and sustainability risks are included as a consideration in investment research, portfolio construction, portfolio review, and investment stewardship processes.

Unless otherwise stated in Fund documentation and included within a Fund’s investment objective and investment policy, ESG integration does not change a Fund’s investment objective or constrain the Investment Manager’s investable universe, and, unless so stated, there is no indication that an ESG or impact-focused investment strategy or any exclusionary screens will be adopted by a Fund. Impact investments are investments made with the intention to generate positive, measurable social and /or environmental impact alongside a financial return. Similarly, ESG integration does not determine the extent to which a Fund may be impacted by sustainability risks. Please refer to “Sustainability Risk” in the risk factors section of this Prospectus.

More detail on BlackRock’s approach to ESG Integration for the Article 8 Funds is set out (separately) below. BlackRock discloses further information about ESG risk integration practices, where relevant, at the team or platform level and for each unique investment strategy through a series of integration statements that are available on its website or otherwise made available to investors.

#### *ESG integration in Actively Managed Article 8 Funds*

The Investment Manager considers many investment risks in its processes. In order to seek the best risk-adjusted returns

for investors, the Investment Manager manages material risks and opportunities that could impact portfolios, including financially material ESG data or information, where available.

E, S and/or G data or information is defined as any data or information around E, S and/or G issues that could impact a company's ability to perform over time. Companies may self-identify ESG issues as financially material to their business models through external or financial reporting. A portfolio manager may identify ESG issues as financially material to the investment process because they impact company risk, opportunity, performance, volatility, etc. Examples of environmental issues include, but are not limited to, water use, land use, waste management and climate risk. Examples of social issues include, but are not limited to, human capital management, impacts on the communities in which a company operates, customer loyalty and relationships with regulators. Governance issues are anything related to the core means by which boards can oversee the creation of durable, long-term financial value.

BlackRock defines ESG integration to be the practice of incorporating financially material E, S and/or G data or information into firmwide processes with the objective of enhancing risk adjusted returns of clients' portfolios. See the BlackRock ESG Integration Statement for further information.

The Investment Manager considers E, S, and/or G data and information within the total set of information in its research process. The extent to which E, S, and/or G data and information are considered during investment decision making will be determined by the materiality of such data or information and the Fund. The Investment Manager's evaluation of ESG data may be subjective and could change over time in light of emerging sustainability risks or changing market conditions.

As with other investment risks and opportunities, the relevance of E, S and/or G considerations may vary by issuer, sector, product, mandate, and time horizon. Depending on the investment approach, this financially material E, S and/or G data or information may help inform due diligence, portfolio or index construction, and/or portfolio monitoring processes, as well as risk management. This approach is consistent with the Investment Manager's regulatory and fiduciary duty to manage the Funds in accordance with their investment objectives and policy. Unless otherwise stated in Fund documentation and included within a Fund's investment objective and investment policy, ESG integration does not change a Fund's investment objective or constrain the Investment Manager's investable universe, and there is no indication that an ESG or Impact focused investment strategy or exclusionary screens will be adopted by a Fund. Similarly, ESG integration does not determine the extent to which a Fund may be impacted by sustainability risks. Please refer to Sustainability Risk in the risk factors section of this Prospectus.

#### *ESG integration in Index Tracking Article 8 Funds*

As noted above, the Investment Manager considers many investment risks in its processes. In order to seek the best risk-adjusted returns for investors, the Investment Manager manages material risks and opportunities that could impact portfolios, including financially material ESG data or information, where available.

As noted above, E, S and/or G data or information is defined as any data or information around E, S and/or G issues that could impact a company's ability to perform over time. Companies may self-identify ESG issues as financially material to their business models through external or financial reporting. A portfolio manager may identify ESG issues as financially material to the investment process because they impact company risk, opportunity, performance, volatility, etc. Examples of environmental issues include, but are not limited to, water use, land use, waste management and climate risk. Examples of social issues include, but are not limited to, human capital management, impacts on the communities in which a company operates, customer loyalty and relationships with regulators. Governance issues are anything related to the core means by which boards can oversee the creation of durable, long-term financial value.

As noted above, BlackRock defines ESG integration to be the practice of incorporating financially material E, S and/or G data or information into firmwide processes with the objective of enhancing risk adjusted returns of investors' portfolios. See the BlackRock ESG Integration Statement for further information.

Certain Funds are Index Tracking Funds which track their respective underlying index. Each Fund is managed with a focus on minimizing its anticipated tracking error versus its underlying index. This ICAV offers Funds with sustainability objectives, which have either the objective to avoid certain issuers or gain exposure to issuers with better ESG ratings, an ESG theme, or to generate positive environmental or social impact (Sustainable Suite) by tracking their underlying indices. This ICAV also offers Funds that do not have any sustainability objectives or other ESG criteria.

BlackRock considers the suitability of sustainability characteristics and risks of a Fund when designing the Fund and carrying out due diligence on its underlying index as part of index selection. After a Fund is launched, BlackRock periodically reviews holdings in issuers that the firm considers to be particularly exposed to elevated E, S and/or G related financially material investment risks through their sector or business practices. As traditional Index Tracking Funds are managed to

track an underlying index, BlackRock is restricted from making changes to the Fund's portfolio which would deviate from its underlying index or increase its tracking error, notwithstanding the outcome of BlackRock's assessments of the exposure of the Fund to sustainability characteristics and risks. Thus, sustainability characteristics and risks post launch of an Index Tracking Funds cannot influence individual security selection unless specifically incorporated into the underlying index. Unless otherwise stated in Fund documentation and included within a Fund's investment objective and investment policy, ESG integration does not change a Fund's investment objective or constrain the Investment Manager's investable universe, and there is no indication that an ESG or Impact focused investment strategy or exclusionary screens will be adopted by a Fund. Similarly, ESG integration does not determine the extent to which a Fund may be impacted by sustainability risks. Please refer to Sustainability Risk in the risk factors section of this prospectus.

#### *Consideration of Principal Adverse Impacts on sustainability factors ("PAIs")*

##### *All Actively Managed Funds except for the Article 8 Funds:*

The Investment Manager has access to a range of data sources, including PAI data, when making decisions on selection of investments. However, whilst BlackRock considers ESG risks for all portfolios and these risks may coincide with environmental or social themes associated with the PAIs, the Funds do not commit to considering PAIs in driving the selection of their investments.

##### *All Article 8 Funds*

The pre-contractual disclosures in the SFDR-PCDs for each relevant Fund set out the PAIs considered for each Fund.

### **Investment Stewardship**

BlackRock seeks to advance the financial interests of investors through its investment stewardship efforts, consistent with the investment strategy in which they are invested. It does this by engaging with public companies, proxy voting on the Funds' behalf, contributing to industry dialogue on stewardship, and reporting on its stewardship activities. BlackRock's stewardship approach is comprised of the following core elements (as further described below):

- Global principles
- Engagement
- Proxy voting

#### *Global principles*

A key focus of the stewardship program is the promotion of sound corporate governance practices and financial resilience. While accepted standards and norms of corporate governance can differ between markets, there are certain globally-applicable fundamental principles of corporate governance that, in BlackRock's experience, contribute to a company's ability to create long-term financial value for shareholders. Some of the focus areas in these global principles include boards and directors (including their effectiveness and composition), shareholder proposals (in particular, their implications for financial value) and material sustainability-related risks and opportunities.

#### *Engagement*

Engagement is core to BlackRock's stewardship efforts as it provides the opportunity to better understand a company's business model and material risks and opportunities. When assessing material risks and opportunities, BlackRock focuses on the factors that could impact a company's long-term financial performance, which are unique to its business model and/or operating environment.

Engagement may also inform BlackRock's voting decisions, particularly on issues where company disclosures are not sufficiently clear or complete, or management's approach seems misaligned with the financial interests of investors. BlackRock's engagement priorities reflect the themes on which it most frequently engages companies, where they are relevant and a source of material business risk or opportunity. These themes focus on:

- Board quality and effectiveness: consideration of board performance, which is critical to the long-term financial success of a company and the protection of shareholders' economic interests.
- Strategy, purpose, and financial resilience: understanding how boards and management align their business decision-making with the company's purpose and adjust strategy as necessary.
- Incentives aligned with financial value creation: evaluation of companies' disclosures on the connection between compensation policies and outcomes and the financial interests of shareholders.

- Climate and natural capital: understanding companies' approach to, and oversight of, material climate-related risks and opportunities as well as how they manage material natural-related risks and opportunities, in the context of their business model and sector.
- Company impacts on people: understanding companies' approach to human capital management and their management of the human rights issues that are material to their businesses.

#### *Proxy voting*

BlackRock uses proxy voting to communicate its support for, or concerns about, how companies are serving the long-term financial interests of investors. BlackRock's regional voting guidelines set out guidance on its position on common voting matters. These guidelines are not prescriptive as BlackRock takes into consideration the context in which companies are operating their businesses.

#### *Implementation*

BlackRock implements its stewardship programme in respect of the Funds through the BlackRock Active Investment Stewardship ("BAIS") team.

More detailed information on the policies and guidelines of BAIS can be found here:

<https://www.blackrock.com/corporate/insights/investment-stewardship>

#### *Reporting*

BlackRock provides periodic reporting of its stewardship activities, which can be accessed here, as part of a comprehensive library of materials on its stewardship policies and activities:

<https://www.blackrock.com/corporate/insights/investment-stewardship>

### **SFDR and Taxonomy Regulation**

A number of Funds have been classified under the SFDR as "Article 8" financial products and disclosures in this regard are included in the details of each of these Funds as set out in the relevant Supplement.

The SFDR pre-contractual "annexes" or "PCDs" for these "Article 8" Funds are available in the relevant Supplement.

The other Funds have not been classified under the SFDR as "Article 8" or "Article 9" financial products. The investments underlying those other Funds do not take into account the criteria for environmentally sustainable economic activities under the Taxonomy Regulation.

#### **Taxonomy Regulation**

All Funds except for the Article 8 Funds:

The investments underlying these Funds do not take into account the EU criteria for environmentally sustainable economic activities.

Article 8 Funds

The Funds do not currently commit to investing more than 0% of their assets in investments in environmentally sustainable economic activities within the meaning of the Taxonomy Regulation.

The "do no significant harm" principle applies only to those underlying investments of the Funds that take into account the EU criteria for environmentally sustainable economic activities. The remaining investments of the Funds do not take into account the criteria for environmentally sustainable economic activities under the Taxonomy Regulation.

### **Privacy Notice**

Prospective Shareholders and Shareholders are referred to the privacy notice of the ICAV and the Manager, which is provided as an addendum to the Application Form (the "Privacy Notice"). The Privacy Notice may be updated from time to time. The latest version of the Privacy Notice is available at [www.blackrock.com](http://www.blackrock.com).

Personal information is information relating to an individual, which can be used either alone or with other sources of information to identify that individual. The Privacy Notice sets out the purposes for which Personal Information is collected, used and disclosed (collectively "processing") and how it is protected for individuals and institutional investors who invest in the ICAV or apply to invest in the ICAV to ensure that such processing is in line with all applicable privacy and data protection laws.

If you would like further information on the collection, use, disclosure, transfer or processing of your Personal Information or the exercise of any of the rights in relation to your Personal Information, as set out in the Privacy Notice, please address questions and requests to: The Data Protection Officer, BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL.

## 2. DEFINITIONS

The following definitions apply in this document unless the context otherwise requires:

### **Accumulating Share Classes**

means all Share Classes that accumulate income.

### **Actively Managed Fund**

means a Fund which is stated in its investment policy (see the relevant subsection "Use of Benchmark" as set out in the relevant Supplement) as being actively managed and, as such, does not aim to track the return of a benchmark index but may have regard to a benchmark index in construction of the Fund's portfolio, for performance comparison, risk management and/or for other purposes.

### **Administration Agreement**

means the agreement made between the Manager and the Administrator dated 19 October 2020, as may be amended from time to time.

### **Administrator**

BNY Mellon Fund Services (Ireland) DAC and/or such other person as may be appointed, in accordance with the requirements of the Central Bank, to provide administration services to the Funds.

### **Affiliate**

means a company which has the ultimate parent of the Investment Manager as its ultimate parent, or a company in which the ultimate parent of the Investment Manager has at least 50% direct or indirect ownership.

### **Application Form**

means such dealing form as the Manager may prescribe for the purposes of dealing in Shares of the ICAV and/or the relevant Class of a Fund.

### **Article 8 Funds**

means any Fund which has been classified under the SFDR as an Article 8 financial product.

### **Auditors**

means Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, Deloitte & Touche House, Earlsfort Terrace, Dublin 2, D02 AY28, Ireland, Chartered Accountants, Dublin, or such other person as may be appointed, in accordance with the requirements of the Central Bank, to act as auditors to the Funds.

### **Base Currency**

means in relation to any Fund, the currency in which the Fund is denominated as determined by the Manager and as described in the relevant Supplement.

### **Benchmark Index**

means the benchmark index as described in the relevant Supplement.

### **Benchmark Regulation**

means Regulation (EU) 2016/1011 of the European Parliament and of the Council, as amended.

### **Benchmark Regulation Register**

means the register of administrators and benchmarks maintained by ESMA under the Benchmarks Regulation.

### **BlackRock or BlackRock Group**

means the BlackRock, Inc. group of companies and any of their affiliates and connected persons.

### **Business Day**

means such day or days as set out in the relevant Supplement.

### **Canadian Resident**

means a person resident in Canada for the purposes of the Income Tax Act (Canada).

### **CEA**

means the Commodity Exchange Act (of the United States), as amended.

**Central Bank**

means the Central Bank of Ireland and any successor entity.

**Central Bank UCITS Regulations**

means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended from time to time, and any guidance issued thereunder.

**CIS**

means a collective investment scheme or schemes.

**Class, Class of Share(s), Classes, Share Class or Share Classes**

means such Class of Shares in a Fund as the Manager may from time to time designate.

**Currency Denominated Share Class**

means a Share Class with a Dealing Currency that is different to the relevant Fund's Base Currency.

**Cut-Off Point**

has the meaning as set out in the relevant Supplement.

**Dealing Day**

means such Business Day as the Manager may from time to time determine for dealings in a Fund, provided that there shall be at least one Dealing Day per fortnight. The Dealing Day in respect of each of the Funds shall be each Business Day unless otherwise determined by the Manager and notified to Shareholders in advance. However, some Business Days will not be Dealing Days where, for example, markets on which a Fund's investments are listed or traded are closed or where there is a public holiday in the relevant jurisdiction, subject always to the Directors' discretion to temporarily suspend the determination of the Net Asset Value and sale, switching and/or redemption of Shares of any Fund in accordance with the provisions of the Prospectus and Instrument of Incorporation. A list of the Business Days which will be treated as non-Dealing Days for certain Funds from time to time can be obtained from the Manager upon request.

**Dealing Currency**

means the currency in which Shares in a Fund are purchased or sold. A list of available Share Classes indicating the relevant Dealing Currencies is included in the relevant Supplement.

**Depository**

means The Bank of New York Mellon SA/NV, Dublin Branch or such other entity as may be appointed, with the prior approval of the Central Bank, to provide depository services to the ICAV.

**Depository Agreement**

means the agreement between the Depository and the ICAV dated 19 October 2020, as may be amended from time to time.

**Directive**

Directive No. 2009/65/EC of the Council and of the European Parliament of 13 July 2009, as amended by Directive No. 2014/91/EU and as may be amended or replaced from time to time.

**Directors**

means the directors of the ICAV or any duly authorised committee thereof.

**Distributing Share Classes**

means Share Classes that distribute income.

**Duties and Charges**

means all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange commissions and spreads, interest, custodian or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees, and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, conversion, redemption or repurchase of Shares or the purchase or sale of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable which, for the avoidance of doubt, includes, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription and sold as a result of a redemption) but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund and other charges, payable in respect of the

acquisition or disposal of assets of a Fund.

**EEA**

means the participating countries of the European Economic Area.

**Enhanced Index Fund**

means a Fund which invests in a similar universe of investments as its Benchmark Index while aiming to achieve some outperformance (gross of fees) as described in the relevant Supplement.

**ERISA Plans**

means (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (ERISA); or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended.

**ESG**

means environmental, social and governance.

**ESMA**

means the European Securities and Markets Authority.

**Euro or €**

means the single European currency unit referred to in Council Regulation (EC) No. 974/98 on 3 May 1998 on the introduction of the Euro.

**FDI**

means financial derivative instruments.

**Fund**

means a fund of assets established (with the prior approval of the Central Bank) for one or more Classes of Shares in the Fund which is invested in accordance with the investment objective applicable to such Fund.

**Fund Schedule Supplement**

means a supplement to the Prospectus containing a list of the Funds established by the ICAV.

**GBP**

means the Great British Pound, the lawful currency of the United Kingdom.

**Hedged Share Class(es) or Hedged Shares**

means a Class which permits NAV Level Hedging.

**ICAV**

means BlackRock Solutions Funds ICAV.

**ICAV Cash Collection Account**

means a cash collection account at the ICAV level opened in the name of the ICAV.

**ICTA**

means the Income and Corporation Taxes Act 1988 (of the United Kingdom).

**Index Tracking Fund**

means a Fund which tracks the return of a Benchmark Index.

**Initial Offer Period**

means in relation to each Class, such period as shall be designated an "Initial Offer Period" by the Directors at which Shares may be offered at the Initial Offer Price.

**Initial Offer Price**

means such price per Share as shall be designated as the initial price per Share by the Directors.

**Instrument of Incorporation**

means the instrument of incorporation of the ICAV as may be amended from time to time.

**Investment Management Agreement**

means the agreement made between the Manager and the Investment Manager dated 19 October 2020 as may be amended from time to time.

**Investment Manager**

means BlackRock Investment Management (UK) Limited, and/or such other person as may be appointed, in accordance with the requirements of the Central Bank, to provide investment management services to the Funds, or any of them.

**Investments**

means any of the investments or assets of a Fund.

**Investor Services Team**

means the investor services team that responds to requests from investors of an operational nature. Contact details for the Investor Services team are included on the Application Form.

**KIID**

means the key investor information document issued in respect of each Fund or a relevant Share Class pursuant to the UCITS Regulations or the PRIIPs Regulation, as may be amended from time to time.

**Management Agreement**

means the agreement made between the ICAV and the Manager dated 19 October 2020, as may be amended from time to time.

**Management Fee**

means the fees of the Manager as described in the relevant Supplement.

**Manager**

means BlackRock Asset Management Ireland Limited, a limited liability company incorporated in Ireland.

**Member**

means a Subscriber Shareholder or a Shareholder.

**Member State**

means a member state of the European Union as at the date of this Prospectus.

**MiFID II**

means the EU Directive 2014/65/EU on markets in financial instruments, as may be amended, modified or supplemented from time to time.

**Minimum Holding**

means a holding of Shares of any Class having an aggregate value of such minimum amount as set out in this Prospectus.

**Minimum Subscription**

means a Shareholder's minimum subscription (whether initial or subsequent) for Shares of any Class as set out in the relevant Supplement.

**NAV Level Hedging**

means the hedging of the foreign currency exposure of a Share Class relative to NAV movements as further described in the sub-section entitled "Currency Denominated and Hedged Share Classes".

**Net Asset Value or NAV**

means the net asset value of a Fund as calculated in the manner set out in this Prospectus.

**Net Asset Value per Share**

means the Net Asset Value divided by the number of Shares (in issue) of the relevant Fund subject to such adjustment, if any, as may be required where there is more than one Class of Shares in the Fund.

**OECD**

means the Organisation for Economic Co-operation and Development, as constituted from time to time.

**Ordinary Resolution**

means a resolution of the ICAV or a Fund or any Share Class, as appropriate, in general meeting passed by a simple majority

of the votes cast by the Shareholders of the ICAV, Fund, or Share Class, as appropriate, in person or by proxy at a general meeting of the ICAV, Fund or Share Class, as appropriate.

**OTC**

means over-the-counter.

**OTC Derivatives**

means financial derivative instruments dealt over-the-counter.

**Paris Climate Agreement**

means the agreement adopted under the United Nations Framework Convention on Climate Change on 12 December 2015 and approved by the European Union on 5 October 2016 with the aim of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels.

**PRC**

means the People's Republic of China.

**PRIPs Regulation**

means Regulation (EU) No.1286/2014 of the European Parliament and of the Council of 26 November 2014 as may be amended or replaced.

**Principal Adverse Impacts (PAIs)**

means the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

**Principal Distributor**

means BlackRock Investment Management (UK) Limited, appointed, in accordance with the requirements of the Central Bank, to provide distribution services to the Funds, or any of them.

**Prospectus**

means this prospectus and any supplements or addendums published thereto. To the extent that there is any inconsistency between this Prospectus and the relevant Supplement, the relevant Supplement shall prevail.

**Qualified Holder**

means any person, corporation or entity other than: (i) a US Person; (ii) an ERISA Plan; (iii) a Canadian Resident; (iv) any other person, corporation or entity which cannot acquire or hold Shares without violating laws or regulations whether applicable to it or the ICAV or any Fund or otherwise or whose holding might result (either individually or in conjunction with other Shareholders in the same circumstances) in the ICAV or any Fund incurring any liability to taxation or suffering pecuniary disadvantages which the ICAV or any Fund might not otherwise incur or suffer or the ICAV or any Fund being required to register or register any Class of its Shares under the laws of any jurisdiction (including without limitation, the 1933 Act, the 1940 Act or the CEA); or (v) a custodian, nominee, or trustee for any person, corporation or entity described in (i) to (iv) above.

**Redemption Price or Redemption Price per Share**

means the price at which a Share or Shares can be redeemed as calculated in the manner set out in this Prospectus.

**Regulated Markets**

means the stock exchanges and/or regulated markets listed in Appendix D.

**Remuneration Policy**

means the policy as described in the sub-section entitled "The Manager" including, but not limited to, a description as to how remuneration and benefits are calculated and identification of those individuals responsible for awarding remuneration and benefits.

**SFDR**

means EU Regulation 2019/2088 on sustainable finance disclosure as may be amended, modified or supplemented from time to time.

**Share or Shares**

means a share or shares of no par value in the ICAV representing interests in a Fund.

**Shareholder**

means a registered shareholder of a Fund.

**Special Resolution**

means a special resolution of the ICAV or any Fund or any Share Class, as appropriate, passed by not less than 75% of the votes cast by the members of the ICAV, Fund or Share Class, as appropriate, in person or by proxy at a general meeting of the ICAV, Fund or Share Class.

**Subscriber Shareholder**

means a holder of subscriber shares in the ICAV.

**Subscription Price or Subscription Price per Share**

means the price at which a Share or Shares can be subscribed as calculated in the manner set out in this Prospectus.

**Taxonomy Regulation**

means the EU regulation on the establishment of a framework to facilitate sustainable investment (Regulation (EU) 2020/852).

**Transfer Agent**

means BNY Mellon Fund Services (Ireland) DAC and/or such other person as may be appointed, in accordance with the requirements of the Central Bank, to provide transfer agency services to the Funds.

**UCITS**

means an undertaking for collective investment in transferable securities established pursuant to the UCITS Regulations.

**UCITS Regulations**

means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as may be amended or supplemented from time to time.

**United Kingdom or UK**

means the United Kingdom of Great Britain and Northern Ireland.

**United States or US**

means the United States of America or any of its territories, possessions, any state of the United States and the District of Columbia.

**United States Dollar, US Dollar, US\$ or \$**

means the lawful currency of the United States.

**US Person or US Persons**

is as defined in Appendix F of this Prospectus. US Persons may not purchase Shares in the Funds without the prior approval of the Directors and prior written consent of the Manager. The Directors may amend the definition of "US Persons" without notice to Shareholders as necessary in order best to reflect then-current applicable U.S. law and regulation.

**Valuation Point**

in respect of a Fund, the time on a Dealing Day at which the last market relevant to its investments closes for business or such other time on each Dealing Day as may be determined by the Investment Manager, provided that if any of the relevant markets are not open on a Dealing Day, the value of the relevant Investments on the previous Dealing Day shall be used, using the same criteria.

**1933 Act**

means the United States Securities Act of 1933, as amended.

**1940 Act**

means the United States Investment Company Act of 1940, as amended.

### 3. MANAGEMENT AND ADMINISTRATION

#### The Manager

The ICAV has appointed BlackRock Asset Management Ireland Limited as its Manager pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the ICAV's affairs and the distribution of the Shares, subject to the overall supervision and control of the Directors.

The Manager is a private company limited by shares and was incorporated in Ireland on 19 January 1995. It is ultimately a subsidiary of BlackRock Inc. incorporated in Delaware, USA and is a member of the BlackRock Group. The Manager's main business is the provision of fund management and administration services to CIS such as the ICAV.

The Funds will be established by the Manager and the Investment Manager taking into account the needs, characteristics and objectives of the targeted investors, and will be marketed and managed by the Manager.

The appointment of the Manager will continue unless and until terminated in accordance with the Management Agreement.

The Manager has adopted a Remuneration Policy which is consistent with and promotes sound and effective risk management. It includes a description as to how remuneration and benefits are calculated, a description of the remuneration committee, should one be formed, and identifies those individuals responsible for awarding remuneration and benefits. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or Instrument of Incorporation and does not impair compliance with the Manager's duty to act in the best interest of Shareholders. The Remuneration Policy includes fixed and variable components of salaries and discretionary pension benefits. The Remuneration Policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profile of the ICAV. The Remuneration Policy is available on the individual pages at [www.blackrock.com](http://www.blackrock.com) (select the relevant Fund in the "Product" section and then select "All Documents") or a paper copy is available free of charge upon request from the registered office of the Manager.

As described in the Directory, the secretary of the ICAV is CSC Finance Holding Ireland Limited and the secretary of the Manager is Apex Group Corporate Administration Services Ireland Limited.

Under the Management Agreement, the Manager is responsible for:

- (a) managing the investment and re-investment of the investments of each of the Funds with a view to achieving the investment objectives of the Funds from time to time laid down by the Directors and to carry out the duties of a manager of an ICAV in accordance with the UCITS Regulations and the regulations of the Central Bank from time to time; and
- (b) carrying on the general administration of the ICAV.

The Manager has delegated the performance of the investment management functions in respect of the Funds to the Investment Manager and the administrative functions to the Administrator. The Manager acts as distributor of the Shares in any Fund or Share Class and has delegated this function to the Principal Distributor who in turn may appoint any sub-distributor(s) on an exclusive or non-exclusive basis and will be responsible for the payment of any fees to any such sub-distributor.

The directors of the Manager are as follows:-

- (i) Rosemary Quinlan (Chair);
- (ii) Michael Hodson;
- (iii) Enda McMahon;
- (iv) Justin Mealy;
- (v) Adele Spillane;
- (vi) Catherine Woods; and
- (vii) Maria Ging.

Their background and experience is as follows:

#### **Rosemary Quinlan (Chair of the Board), (Irish, Independent Non-Executive Director).**

Ms Quinlan is a Chartered Director and a Certified Bank and Fund Director. She has been an Independent Board Director since 2013 and an Executive Board Director since 2006. Ms Quinlan has over 35 years' experience working with global

financial services companies. She was appointed Chair of the Board of BlackRock Asset Management Ireland Ltd. in June 2022 where she also Chairs the Nominations and Governance Committee. Ms. Quinlan was appointed Chair of Citi Europe plc (ECB) in June 2025, where she also Chairs the Nomination Committee. Ms Quinlan also currently Chairs the Board Risk Committee of AXA Ireland DAC (CBI) and sits on the Board of AXA Ireland Limited. Ms. Quinlan sits on the Board of Dodge & Cox Funds Worldwide plc (CBI).

Most recently (2023), Ms Quinlan was the Chair of the Board Risk Committee of Ulster Bank Ireland DAC(SSM/CBI) and was Chair of the Board of JP Morgan Money Markets Ltd. (FCA) and JP Morgan Ireland PLC (2022) (CBI). Previously she was a Board member and Committee Chair with RSA Insurance Ireland DAC, Prudential International Assurance PLC, Ulster Bank Ltd and HSBC Securities Services Ireland DAC. Ms Quinlan held Executive roles with HSBC Bank plc, ABN AMRO BV, Citi and NatWest in London, New York, Amsterdam, Chicago and in Dublin (when she relocated to Ireland in 2006). Ms Quinlan holds a Bachelor of Commerce from University College Cork.

**Michael Hodson (Irish, Non-Executive Director).** Michael Hodson is an Independent Non-Executive Director since 2021. Michael is on the boards of Mediolanum International Funds, MSIM Fund Management (Morgan Stanley subsidiary), Blackrock Asset Management Ireland Ltd. and Wells Fargo International Bank. He currently chairs the audit committees for MSIM Fund Management, Blackrock Asset Management and Wells Fargo, in addition to chairing the Investment Oversight Committee for MSIM Fund Management. Michael also sits on the board of the Irish Association of Investment Managers. His executive career included the Central Bank of Ireland from 2011 to 2020 where he held a number of senior roles culminating in Director of Asset Management and Investment Banking. In that role Mr. Hodson was responsible for the authorisation and supervision of a wide range of entity types, including large investment banks, Mifid investment firms, fund service providers and market infrastructure firms. Mr. Hodson is a qualified accountant having trained with Lifetime, the life assurance arm of Bank of Ireland and has a Diploma in Corporate Governance from Michael Smurfit Business School. Following Lifetime Mr. Hodson moved into various roles in the Irish stockbroking sector. Mr. Hodson had roles in NCB Stockbrokers, Fexco Stockbroking and was a founding shareholder of Merrion Capital Group where he held the role of Finance Director from 1999 to 2009 and was CEO in 2010.

**Enda McMahon (Irish, Executive Director).** Mr. McMahon is CEO and Executive Board Director of BlackRock Asset Management Ireland Limited. He is also Head of International Product Oversight and Governance for BlackRock. Enda is responsible, in partnership with his EMEA Board Governance colleagues and other stakeholders, for establishing and expanding best practices in International Product Oversight and Governance, including Service Provider and Investment Oversight. He was previously responsible for managing the EMEA Compliance Department, which is comprised of over one hundred Compliance professionals across the region, and responsible for the design and delivery of all aspects of the Compliance Strategy and Compliance Programme, facilitating the continuation of BlackRock's strong regulatory record and reputation and protecting the best interests of clients. Mr. McMahon is taking over as Chair of the Irish Association of Investment Managers in January 2026 and is current Chair of the Irish Funds and Asset Management Steering Group (previously known as the IFSC Funds Group), which was established by the Department of An Taoiseach (Irish Prime Minister) to consider and advise on legislative and other changes which are necessary or desirable to facilitate the continued growth of the Irish investment funds industry. He is a former Board member of a number of MiFID Investment Firms, UCITS Management Companies and Investment Fund Companies in both Ireland and the UK during his time at Bank of Ireland Asset Management and State Street Global Advisors. Mr. McMahon joined BlackRock in December 2013 from State Street Global Advisors (SSgA), where he was EMEA Head of Compliance, prior to which he was Global Chief Compliance Officer for Bank of Ireland Asset Management and Regulatory Inspection Leader with the Central Bank of Ireland. He has over 30 years of relevant experience overall having also worked professionally as an Auditor with the Office of the Comptroller and Auditor General and as an accountant with Eagle Star. Mr. McMahon is a member of the Chartered Institute of Management Accountants and the U.K. Chartered Institute for Securities and Investment. Mr. McMahon also holds the CGMA designation. His studies also include the exams of the Master of Science in Investment and Treasury from Dublin City University Business School and Law in the Honourable Society of King's Inns.

**Justin Mealy (Irish, Executive Director).** Mr. Mealy, Managing Director, is Head of Investment Oversight EMEA at BlackRock, the group responsible for the oversight, supervision and due diligence of investment management (Product, Performance and Platform) on behalf of AIFMD, UCITS and MIFID Management Company boards within the EU and UK. He serves as an Executive Director of BlackRock Asset Management Ireland Limited and is a member of its Investment Committee and of the firm's executive Management Committee. He is a voting member of the Product Development Committee of BlackRock Investment Management UK Limited. Previously he has served as Designated Person for Investment Management of BlackRock Asset Management Ireland Limited and Dirigeant Effectif for BlackRock France SAS, the group's AIFMD Manager in Paris focused on private equity, private credit, real estate and other alternatives. Before joining BlackRock, Mr. Mealy was Managing Director at Geneva Trading for 8 years where he served as Head of its European and Asian businesses and Global Head of Risk responsible for the implementation, control and performance management of its global trading and derivatives market-making activities. Prior to this position he was engaged in CP origination and fixed income dealing with Landesbank Hessen Thueringen (Helaba), followed by positions in proprietary trading and markets

technology, including several years in Singapore as COO Asia Pacific with International Financial Systems and later in Tokyo within the Fixed Income, Rates and Currencies division of UBS Securities Japan. Mr. Mealy is a graduate of Business & Law at University College Dublin, 1997 and is a certified FRM.

**Adele Spillane (Irish, Non-Executive Director).** Ms. Spillane is a Chartered Director and has close to 30 years' experience in financial services as well as significant governance experience. She currently serves as a non-executive director ("NED") and Chairs the Investment Committee for BlackRock Asset Management Ireland Limited. Ms. Spillane is also Chair and NED on Fisher Investments Ireland and also sits on the Boards of NBK Wealth Investment Management Ltd and Janus Henderson Capital Funds plc. Ms. Spillane is also a Board Director, Treasurer and Chair of the Finance, Quality, Audit & Risk Committee on the charity Care Alliance Ireland. In her executive career, Ms. Spillane was Managing Director and Head of BlackRock's Institutional Client Business in Ireland from 2011 to 2023, as well as serving as an executive director on their ManCo. Ms. Spillane's roles in sales and distribution at BlackRock date back to 1995, including her years with Barclays Global Investors in San Francisco up to 2002 and London to 2011 where she was a senior client director for BlackRock's largest UK institutional investors. Ms. Spillane has a Commerce degree with Honours, from University College Dublin. She became a CFA charterholder in 2000 and a Chartered Director in 2023.

**Catherine Woods (Irish, Independent Non-Executive Director).** Ms. Woods has over 30 years' experience in financial services, as well as significant governance experience. Her executive career was with JP Morgan in the City of London, specialising in European Financial Institutions. She is a former Vice President and Head of the JP Morgan European Banks Equity Research Team, where her mandates included the recapitalisation of Lloyds' of London and the re-privatisation of Scandinavian banks. She also acts as a non-executive director for Lloyds Banking Group. She was previously appointed by the Irish Government to the Electronic Communications Appeals Panel and the Adjudication Panel to oversee the rollout of the National Broadband scheme. Ms Woods is the former Chair of Beazley Insurance DAC, former Director of Beazley plc, former Deputy Chairman of AIB Group plc, former Chair of EBS DAC and former Director of AIB Mortgage Bank and An Post. She holds a First Class Honours Economics Degree from Trinity College Dublin and a Chartered Director Diploma with distinction.

**Maria Ging (Irish, Non-Executive Director).** Ms. Ging is a Managing Director at BlackRock. She is the Head of EMEA UCITS for the Global Accounting and Product Services Function. Ms Ging is responsible for product oversight of UCITS and AIFs domiciled in EMEA. She leads teams across EMEA who focus on accounting change management, risk management and exception management for over 1,200 funds domiciled primarily in Ireland, UK and Luxembourg. In 2019 Ms. Ging was elected by her industry peers to the Council of Irish Funds (the representative body for the International Investment Fund Community in Ireland) and was further elected as Chair of the Council serving from September 2021-2022. Previously Ms. Ging led the Alternatives Fund Accounting Oversight Team for BlackRock in Dublin managing fund accounting, operational risk and product change for BlackRock. During her tenure with BlackRock Ms. Ging's responsibilities have also included Mutual Fund Oversight supporting the Irish domiciled pooled funds, and Financial Reporting Oversight. Prior to joining BlackRock in 2012, Ms. Ging spent seven years with KPMG Dublin most recently working as an Associate Director providing Audit and Assurance services to asset management, banking, financing, leasing and private equity clients. Ms Ging is a Fellow Chartered Accountant holding a Masters in Accounting and a Bachelor of Business and Legal Studies Degree, both from University College Dublin.

## The Directors of the ICAV

The ICAV shall be managed and its affairs supervised by the directors of the ICAV whose details are set out below.

**Andrew Alabaster (UK, Non-Executive Director).** Mr Andrew Alabaster currently acts as Managing Director and is Head of Sales for UK, Ireland and Middle East & EMEA Bank Distribution for BlackRock Cash Management. Based in London, Mr Alabaster is responsible for business development and client relation management for BlackRock's Cash Management business which manages approximately US\$755 billion in global liquidity assets across multiple currencies, managing portfolios for corporations, banks, foundations, insurance companies, charities, pensions, hedge funds as well as asset and wealth managers. Mr Alabaster previously led the Cash Financial Institution Sales team, responsible for key account management, business development and strategy with Financial Institution clients internationally. Mr Alabaster's service with the firm dates back to 2007, including his years with Barclays Global Investors (BGI), which merged with BlackRock in 2009. Prior to joining BlackRock, Mr Alabaster held client facing and portfolio management roles with Fidelity International.

**Nicola Grenham (Irish, Independent Non-Executive Director).** Dr. Grenham co-founded Dumas Capital Ltd in 2004, a boutique consultant providing strategic advisory and research services in the alternative investment sector. She chairs the Executive Committee of the Capital Holdings Funds Plc and serves as an independent director on a few alternative investment funds. From 2008-2012, Dr. Grenham was CEO of Alpha Strategic Plc, the UK listed company which provided

access to passive minority equity capital to independent, owner-managed investment managers. Prior to Dumas, she was MD and member of the Investment Committee of Blackstone Alternative Asset Management. Based in London, she established and managed the development of the group's hedge fund activities outside the US. In 1990, Dr. Grenham founded TASS which became one of the market's leading global data and research firms specialising in hedge funds. The avidity for the alternative investments was born when she worked at commodity broker, Gourlay Wolff, in the late 1980s. Dr. Grenham's Ph.D. is from Trinity College, Dublin.

**Barry O'Dwyer (Irish, Non-Executive Director).** Mr. O'Dwyer has over 30 years' experience in the Financial Services industry with a primary focus on asset management. He retired from BlackRock in August 2022 where he had a distinguished career spanning 23 years. He was a senior leader in their technology and operations function, the CEO for their Irish MiFID business, Head of BlackRock's Irish Office (+100 people) and Head of Funds Governance in Europe where he oversaw the governance of over 400 entities and assets exceeding \$1.7tn. He was Chairman of the Irish Funds Industry Association 2014-2015 and was a member of An Taoiseach's Financial Services Industry Advisory Committee 2015-2018. He has been a board director of Financial Services Ireland and of the Irish Association of Investment Managers.

**Niall Ryan (Irish, Non-Executive Director).** Mr Ryan, B.B.S, FCCA, Director, is a member of BlackRock's Global Accounting and Product Services (GAAPS) team within Business Operations & Technology. Mr Ryan joined BlackRock in 2016 and is the Global Head of Infrastructure Equity within the Alternative Fund Controllers (AFC) team, responsible for operations and the production & oversight of the NAV and client reporting processes. Prior to this, Mr Ryan led the EMEA & APAC Diversified Infrastructure Core Portfolio Management team responsible for financial management activities for a range of funds within Diversified Infrastructure, including the BGIF, Evergreen and Middle Eastern Infrastructure platforms. Mr Ryan was previously a member of GAAPS where he led Alternatives Fund Accounting Oversight Teams in Dublin & Luxembourg managing fund accounting, operational risk and product change for BlackRock's Global Renewable Power, Infrastructure Debt and EMEA & APAC Private Credit businesses. Prior to joining BlackRock, Mr Ryan spent seven years with State Street, working as a Fund Accounting Manager having begun his career with EY, providing Audit and Assurance services to asset management & other financial services clients. Mr Ryan is a Fellow Chartered & Certified Accountant holding a Bachelor of Business Studies Degree from Dublin City University.

**Davina Saint (Irish, Non-Executive Director):** Ms. Saint is an independent non-executive director of various financial services companies including the Irish National Assets Management Agency. Ms. Saint worked with the BNP Paribas Group for over 20 years as the General Counsel for its Irish Corporate and Institutional Banking business and latterly as the Head of Branch for BNP Paribas' Irish Securities Services business. Prior to joining BNP Paribas, she worked in the city of London with ABN Amro after qualifying as a solicitor in the field of shipping litigation. She holds an Honours Degree in Law from the London School of Economics. She is also a Chartered Director and a Certified Bank Director.

The BlackRock employees serving as Directors of the ICAV and the Manager are not entitled to receive Directors' fees.

## The Investment Manager

The Manager has delegated responsibility for the investment and re-investment of the assets of each of the Funds to BlackRock Investment Management (UK) Limited pursuant to the Investment Management Agreement. The Investment Manager will be responsible to the Manager with regard to the management of the investment of the assets of each Fund in accordance with the investment objectives and policies subject always to the supervision and direction of the Manager. The Investment Manager is also the promoter of the ICAV.

The Investment Manager is ultimately a subsidiary of BlackRock, Inc. The Investment Manager is authorised by the Financial Conduct Authority ("FCA") to carry on regulated activities in the UK (including the provision of investment management services to CIS) and is subject to the rules of the FCA. The Investment Manager was incorporated under the laws of England and Wales on 18 March 1964.

The Investment Management Agreement provides that the Investment Management Agreement may be terminated by either party giving to the other not less than 180 days' written notice although in certain circumstances (e.g. a material breach, in the event of negligence, fraud or wilful misconduct of the either party, the insolvency of either party, unremedied breach after notice, etc.) the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains indemnities from the Manager in favour of the Investment Manager otherwise than due to the Investment Manager's failure to comply with its obligations or functions under the Investment Management Agreement.

## Sub-Investment Managers

The Investment Manager may, in accordance with the requirements of the Central Bank, appoint one or more sub-investment managers, which may include Affiliates of BlackRock, to whom it may delegate all or part of the day to day

conduct of its investment management responsibilities in respect of any Fund.

Details of any sub-investment managers will be provided to Shareholders on request and disclosed in the Fund's periodic reports. The Investment Manager will arrange for the fees and expenses of any sub-investment manager to be paid out of the Investment Manager's fees (or otherwise by an Affiliate thereof).

If more than one sub-investment manager is appointed to a Fund, the Investment Manager shall allocate the assets of the Fund between the sub-investment managers in such proportions as it shall, at its discretion, determine.

### **Exclusive Sub-Distributor of the Funds**

The Manager acts as distributor of the Shares in any Fund and Share Class and has delegated this function to the Investment Manager who may in turn sub-delegate its function as distributor of the Shares on an exclusive basis to a sub-distributor.

None of the Investment Manager, the Manager or the Funds will provide fees, commissions or other monetary or non-monetary benefits to any sub-distributor in connection with any such sub-delegation.

### **The Depositary**

The ICAV has appointed The Bank of New York Mellon SA/NV, Dublin Branch, as depositary of its assets for the purposes of the UCITS Regulations to provide depositary, custodial, settlement and certain other associated services pursuant to the Depositary Agreement.

The Bank of New York Mellon SA/NV, Dublin Branch is a limited liability company established in Belgium and regulated and supervised as a significant credit institution by the European Central Bank and the National Bank of Belgium for prudential matters and under the supervision of the Belgian Financial Services and Markets Authority for conduct of business rules. It is regulated by the Central Bank of conduct of business rules. Its business activities include the provision of custody and banking services. The ultimate parent company of the Depositary is the Bank of New York Mellon ("BNY Mellon"). BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. As at 31 March 2021, it had US\$41.7 trillion in assets under custody and administration and US\$2.2 trillion in assets under management.

### The Duties of the Depositary

The Depositary acts as the depositary of the Funds and, in doing so, shall comply with the provisions of the Directive and the UCITS Regulations. In this capacity, the Depositary's duties include, amongst others, the following:

- (i) ensuring that each Fund's cash flows are properly monitored and that all payments made by or on behalf of investors have been received;
- (ii) safekeeping the assets of the Funds, which includes (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verifying the ownership by the ICAV of such assets and the maintenance of a record accordingly (the "Safekeeping Function");
- (iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Fund are carried out in accordance with the applicable national law, the Directive, the UCITS Regulations and the Instrument of Incorporation;
- (iv) ensuring that the value of the Shares of each Fund is calculated in accordance with the applicable national law, the Directive, the UCITS Regulations and the Instrument of Incorporation;
- (v) carrying out the instructions of the Manager and the ICAV unless such instructions conflict with the applicable national law, the Directive, the UCITS Regulations and the Instrument of Incorporation;
- (vi) ensuring that in transactions involving each Fund's assets any consideration is remitted to the relevant Fund within the usual time limits; and
- (vii) ensuring that the Funds' income is applied in accordance with the applicable national law, the Directive, the UCITS Regulations and the Instrument of Incorporation.

Apart from cash (which shall be held and maintained in accounts opened in the name of the ICAV, or the Manager or Depositary acting on behalf of the ICAV, in accordance with the terms of the Depositary Agreement), all other financial assets of the Funds which are held in custody shall be segregated from the assets of the Depositary, its sub-custodians and from financial assets held as a fiduciary, custodian or otherwise by the Depositary or sub-custodians or both for other customers which are not UCITS customers. The Depositary shall maintain its records which relate to the assets attributable to each Fund so as to ensure that it is readily apparent that the assets are held solely on behalf of and belong to the Fund and do not belong to the Depositary or any of its affiliates, sub-custodians or delegates or any of their affiliates.

The Depositary may delegate the Safekeeping Function to one or more third parties as may be determined by the Depositary from time to time, subject to the requirements of the Directive. The liability of the Depositary will not be affected by any delegation of the Safekeeping Function to a third party. The list of sub-delegates appointed by the Depositary as at the date of this Prospectus is set out in Appendix E hereto.

The Depositary must ensure that the sub-custodians:

- (i) have adequate structures and expertise;
- (ii) in circumstances where custody of financial instruments is delegated to them, are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, as well as an external periodic audit to ensure that the financial instruments are in their possession;
- (iii) segregate the assets of the Depositary's clients from their own assets and from the assets of the Depositary for its own account in such a way that they can, at any time, be clearly identified as belonging to clients of a particular depositary;
- (iv) ensure that in the event of their insolvency, assets of the Depositary held by the sub-custodians are unavailable for distribution among, or realisation for the benefit of, creditors of the sub-custodians;
- (v) are appointed by way of a written contract and comply with the general obligations and prohibitions in the Directive and applicable national law, including with respect to the Safekeeping Function, reuse of assets and conflicts of interest.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, the Depositary may delegate its functions to such a local entity only to the extent required by the law of the third country and only for as long as there are no local entities that satisfy the aforementioned regulation, minimum capital and supervisions requirements and subject to instruction from the ICAV or the Manager in respect of such delegation. In the event that custody is delegated to such local entities, prior Shareholder notice will be provided advising of the fact that such a delegation is required due to legal constraints in the law of the third country of the circumstances justifying the delegation and of the risks involved in such a delegation.

Please refer to the "Conflicts of Interest" section of Appendix C for details of potential conflicts that may arise involving the Depositary.

The Depositary will ensure that the assets of the ICAV held in custody by the Depositary shall not be reused by the Depositary or by any third party to whom the depositary function has been delegated for their own account. Reuse comprises any transaction of assets of the ICAV held in custody including, but not limited to, transferring, pledging, selling and lending. Reuse of the assets of the ICAV held in custody is only allowed where:

- (i) the reuse of the assets is executed for the account of the ICAV;
- (ii) the Depositary is carrying out the instructions of the Manager on behalf of the ICAV;
- (iii) the reuse is for the benefit of the ICAV; and
- (iv) the transaction is covered by high quality and liquid collateral received by the ICAV under a title transfer arrangement with a market value at least equivalent to the market value of the reused assets plus a premium.

The Depositary is liable to the ICAV and to Shareholders for the loss of financial instruments of the ICAV which are held in custody as part of the Depositary's Safekeeping Function (irrespective of whether or not the Depositary has delegated its

Safekeeping Function in respect of such financial instruments to a third party), unless it can prove that the loss of such financial instruments held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. This standard of liability applies only to financial instruments capable of being registered in a financial instruments account opened in the Depository's books or which can be physically delivered to the Depository.

The Depository Agreement provides that the appointment of the Depository will continue in force unless and until terminated by either party giving to the other not less than 90 days written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice, etc.) the Depository Agreement may be terminated forthwith by resolution of the Directors or, where the Depository, acting reasonably and in good faith and in accordance with its obligations to act solely in the best interests of the ICAV and Shareholders, determines that the ICAV has committed a material breach of its obligations under the Depository Agreement and (if such breach shall be capable of remedy) shall fail within thirty days of receipt of notice served by the Depository requiring it to make good such breach. The ICAV may not terminate the appointment of the Depository and the Depository may not retire from such appointment unless and until either, (i) a successor depository approved by the Central Bank shall have been appointed in accordance with the Instrument of Incorporation, or (ii) the ICAV's authorisation as a UCITS has been revoked.

The ICAV will indemnify the Depository and its sub-custodians and their respective nominees, directors, officers and employees engaged in the provision of the services set forth in the Depository Agreement (the "BNY Mellon Indemnified Persons") against, and hold them harmless from, any liabilities, losses, claims, costs, damages, penalties, fines, obligations or expenses of any kind whatsoever (including, without limitation, reasonable attorneys', accountants', consultants' or experts' fees and disbursements) (together "Liabilities") that may be imposed on, incurred by or asserted against any of BNY Mellon Indemnified Persons in connection with or arising out of (i) the Depository's performance under the Depository Agreement, other than losses of financial instruments for which the Depository is liable or as a result of BNY Mellon Indemnified Persons' negligent or intentional failure to properly fulfil its obligations pursuant to the Depository Agreement or the UCITS Regulations, Commission Delegated Regulation (EU) 2016/48 or the Central Bank UCITS Regulations, or (ii) any of BNY Mellon Indemnified Persons' status as a holder of record of the ICAV's securities. Nevertheless, the ICAV will not be obligated to indemnify any BNY Mellon Indemnified Person with respect to any Liability for which the Depository is liable in certain circumstances, including where the Depository is liable for losses to the ICAV as a result of the Depository's negligent or intentional failure to properly fulfil its obligations pursuant to the Depository Agreement or the Directive, or where the Depository is liable to the ICAV for the loss of a financial instrument held in custody or where the Depository is liable for direct losses by the ICAV that result from certain failures by the sub-custodians as set out in the Depository Agreement.

Up-to-date information regarding the Depository including the duties of the Depository and its delegation arrangements shall be made available to investors upon request to the Manager. Details of conflicts of interest that may arise in respect of the Depository are set out in Appendix C.

#### **The Administrator, Registrar and Transfer Agent**

The Manager has delegated its responsibilities as administrator, registrar and transfer agent of the Funds to BNY Mellon Services (Ireland) DAC pursuant to the Administration Agreement. The Administrator will have the responsibility for the administration of the Fund's affairs including the calculation of the Net Asset Value of each of the Funds and the preparation of the financial statements, subject to the overall supervision of the Manager.

The Administrator, a limited liability company incorporated under the laws of Ireland on 31 May 1994 has agreed to act as administrator pursuant to the Administration Agreement. The Administrator is a wholly owned indirect subsidiary company of The Bank of New York Mellon Corporation. The Bank of New York Mellon Corporation is a global financial services company focused on helping clients manage and service their financial assets, operating in 36 countries and serving more than 100 markets. The Bank of New York Mellon Corporation is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client focused team. As at 31 March 2021, it had US\$41.7 trillion in assets under custody and administration and US\$2.2 trillion in assets under management.

The Administration Agreement will continue in force unless and until terminated by either party on not less than 90 days' written notice, although in certain circumstances (e.g. the insolvency of any party, unremedied breach after notice, etc.) the Administration Agreement may be terminated forthwith by notice in writing by either party to the others. The Administration Agreement contains indemnities in favour of the Administrator other than matters arising by reason of its fraud, negligence or wilful default in the performance of its duties and obligations, and provisions regarding the Administrator's legal responsibilities.

The Manager may also delegate all or some of its administration functions with respect to any particular Fund to another administration company in accordance with the requirements of the Central Bank and details will be set out in this Prospectus.

### UK Facilities Agent

UK investors can contact the UK facilities agent (the Investment Manager) at BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL to obtain details regarding the prices of Shares, to redeem or arrange for the redemption of Shares, to obtain payment and to make a complaint. Details on the procedure to be followed in connection with the subscription, redemption and switching of Shares are set out in this Prospectus. Copies of the following documents will be available (in English) for inspection and can be obtained at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) free of charge at the above address of the UK Facilities Agent:

- i. the Instrument of Incorporation, the Prospectus, KIID(s) and any supplement or addendum to the Prospectus;
- ii. any other documents specified in the Prospectus as being available for inspection;
- iii. any notice to Shareholders and other notices and documents relating to the ICAV sent to and from the UK; and
- iv. the most recently published annual and half yearly reports relating to the ICAV.

The ICAV is categorised as a recognised collective investment scheme for the purposes of section 264 of the Financial Services and Markets Act, 2000.

## 4. SHARE CLASSES

Title to registered Shares is evidenced by entries in the ICAV's Share register. Shareholders will receive confirmation notes of their transactions. Registered Share certificates are not issued.

### Currency Denominated and Hedged Share Classes

The ICAV has created, (and may in the future create additional): (i) Share Classes which are designated in a Dealing Currency that is different to the Base Currency of a Fund on a non-hedged basis (a Currency Denominated Share Class); and (ii) (additional) Share Classes which are designated in a currency that different to, the Base Currency of a Fund which permit NAV Level Hedging (as further described below) (a Hedged Share Class).

Where NAV Level Hedging is applied to a Hedged Share Class, the foreign currency exposure of such Class to the Base Currency of the relevant Fund is hedged against appreciation or depreciation of the Dealing Currency of that Class to the extent of the initial subscription for Shares in that Class or as may be adjusted periodically (monthly) thereafter relative to NAV movements at the discretion of the Manager.

The Investment Manager shall monitor such hedging at each Valuation Point to ensure such hedging shall not exceed 105% or fall short of 95% of the NAV of the relevant Hedged Share Class (the "tolerance threshold"), as prescribed by the Central Bank UCITS Regulations.

Hedged positions shall be monitored by the Investment Manager to ensure that over-hedged positions do not exceed the limit above and to ensure positions materially in excess of 100% of the NAV of that Hedged Share Class shall not be carried forward from month to month.

All hedging transactions undertaken with respect to a Hedged Share Class will be clearly attributable to the relevant Hedged Share Class and the currency exposures of the different Hedged Share Classes will not be combined or offset. As foreign exchange hedging for a Hedged Share Class will be utilised solely for the benefit of Hedged Share Classes, its costs and related liabilities and/or benefits will be for the account of the relevant Hedged Share Class Shares only.

While holding Hedged Share Class Shares will aim to protect investors from a decline in the value of the Base Currency of the relevant Fund against the Dealing Currency of the relevant Hedged Share Class Shares, investors in Hedged Share Class Shares will not generally benefit when the Dealing Currency of the relevant Hedged Share Class Shares declines against the Base Currency of the relevant Fund and/or the currency in which some or all of the assets of the relevant Fund are denominated. The Investment Manager does not intend to have under-hedged or over-hedged positions, however due to market movements and factors outside the control of the Investment Manager, under-hedged and over-hedged positions may arise from time to time. The Investment Manager will limit hedging to the extent of the relevant Hedged Share Class Shares' currency exposure.

The extent of the application of any currency hedging will take account of practical considerations, including transaction costs.

Foreign exchange hedging will not be used for speculative purposes. If there is a gain on the foreign currency hedge, no

leverage will result from such gain. If there is a loss on the foreign currency hedge, leverage will result in the relevant Hedged Share Class from such loss. Any leverage will be removed or reduced when the relevant currency hedge is adjusted or reset as required for the relevant Hedged Share Class. The Investment Manager does not intend to leverage the Hedged Share Class Shares beyond the tolerance threshold at which point a reset of some or all of the currency hedges for that Hedged Share Class will be triggered. In extreme market conditions, the tolerance threshold may be temporarily breached.

Investors should be aware that currency hedging may adversely affect the returns on their investment due to transaction costs and spreads, market inefficiency, risk premia and other factors which may be material in the case of certain currencies and/or over the long term. Purchasers of Hedged Share Class Shares should note that there are various risks associated with foreign exchange hedging strategies. Please see “Hedged Share Classes” in section 6 (“Risk Factors”) below for a description of the risks associated with hedging the foreign currency exposures of the Hedged Share Classes.

### **Available Dealing Currencies**

A list of the currencies available in respect of both Currency Denominated Share Classes and Hedged Share Classes is included below, and the Currency Denominated and Hedged Share Classes available in respect of each Fund can be found in the relevant Supplement. Hedged Share Classes will be indicated by the inclusion of “Hedged” in the name of the Class. Currency Denominated Share Classes will be indicated by the inclusion of the relevant Dealing Currency, as set out below, in the name of the Class.

<b>Available Dealing Currencies</b>
USD (\$)
EUR (€)
GBP (£)
NOK
SEK
DKK

### **Dividends**

#### **Dividend Policy**

The Instrument of Incorporation empowers the Directors to declare dividends in respect of any Shares out of the net income (including dividend and interest income) of the ICAV.

The Directors’ current policy depends on the Share Class.

#### Accumulating Share Classes

It is not intended to distribute dividends to the Shareholders in the Accumulating Share Classes of the relevant Funds. The income and other profits will be accumulated and reinvested on behalf of Shareholders. Accumulating Share Classes will be indicated by the inclusion of “Acc” in the name.

#### Distributing Share Classes

The Directors intend to declare dividends on the Shares of the Distributing Share Classes of the relevant Funds out of net income (including dividend and interest income) of the ICAV. Distributing Share Classes will be indicated on by the inclusion of “Dist” in the name.

Any dividend which is unclaimed for six years or more from the date of its declaration shall, at the discretion of the Manager, be forfeited and shall become the property of the relevant Fund.

Where a Fund has UK Reporting Fund status and reported income exceeds distributions made then the surplus shall be treated as a deemed dividend and will be taxed as income, subject to the tax status of the investor.

Distributing Share Classes will distribute income on a quarterly basis. Dividends will normally be declared in March, June, September and December and/or such other times as the Manager deems appropriate with a view to the same being paid within the period of one month. Dividends will be paid by way of electronic transfer to the bank account detailed on the Application Form or as subsequently notified to the Manager in writing.

### **Further information in respect of Share Classes**

A list of Dealing Currencies, Hedged Share Classes and Distributing and Accumulating Share Classes is available from the ICAV’s registered office and the local Investor Services team.



## 5. VALUATION, SUBSCRIPTIONS AND REDEMPTIONS

### 1. Calculation of Net Asset Value

The Net Asset Value of each Fund is expressed in its Base Currency. The calculation of the Net Asset Value of each Fund and of each Class thereof will be carried out by the Administrator in accordance with the requirements of the Instrument of Incorporation, details of which are set out in Appendix C.

Except when the determination of the Net Asset Value of any Fund has been suspended or postponed in the circumstances set out under the heading “Temporary Suspensions” below, the calculation of the Net Asset Value of each Fund, the Net Asset Value of each Class and the Net Asset Value per Share will be prepared at the Valuation Point on the relevant Dealing Day and will be available to Shareholders on request. The Net Asset Value per Share shall also be made public at the offices of the Administrator during normal business hours and will be published daily on the Investment Manager’s website at [www.blackrock.com](http://www.blackrock.com) and will be kept up to date. The Net Asset Value per Share is quoted in the Dealing Currency(ies) of the relevant Fund. In the case of those Funds for which two or more Dealing Currencies are available, if an investor does not specify his choice of Dealing Currency at the time of dealing then the Base Currency of the relevant Fund will be used. The ICAV cannot accept any responsibility for error or delay in the publication or non-publication of prices. Historic Net Asset Values for all Shares are available from the Administrator or the local Investor Services team.

The Subscription Price and Redemption Price at which Shares in the Funds on offer at the date of this Prospectus may be subscribed or redeemed will be derived from the relevant Net Asset Value per Share adjusted as appropriate to reflect Duties and Charges (see paragraph 1(c)) of Appendix C headed “Dual Pricing Funds”).

The costs and liabilities/benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular Hedged Share Class of a Fund shall be attributable exclusively to that Class. Accordingly, any appreciation or depreciation of the Net Asset Value of a Fund resulting from expenses, income, gains and losses that are attributable to any foreign exchange hedging in respect of a Hedged Share Class or group of Hedged Share Classes shall be attributable solely to the Hedged Share Class or Classes to which it relates. The Net Asset Value of each Share of each Class will be determined by dividing the Net Asset Value of the Class by the number of Shares of that Class. Where there are different Classes of Shares in a Fund, the name of the relevant Class shall indicate whether or not a hedging policy is being adopted in respect of such Class by the inclusion of “Hedged” in the name. The Net Asset Value per Hedged Share Class in the Fund shall be calculated by the Administrator in the relevant Dealing Currency, based upon an exchange rate which the Directors deem appropriate. The Net Asset Value per Hedged Share Class in the Fund shall be calculated by the Administrator at the Valuation Point on the relevant Dealing Day in accordance with the valuation provisions set out in Appendix C.

### 2. Subscription for Shares

#### a. Applications

Initial applications for Shares must be made to the Transfer Agent or the local Investor Services team via the Application Form before the Cut-Off Point in respect of the relevant Dealing Day. All initial applications for Shares must be made by completing the Application Form and returning it to the Transfer Agent or the local Investor Services team. Failure to provide the Application Form and relevant anti-money laundering documentation promptly will delay the completion of the transaction and be held over until the Dealing Day when all relevant documentation has been provided and consequently the ability to effect subsequent dealings in the Shares concerned. Subsequent applications for Shares may be made in writing or by fax and the Manager may, at its sole discretion, accept individual dealing orders submitted via other forms of electronic communication. Investors who do not specify a Share Class in the application will be deemed to have requested Class C Accumulating Shares, denominated in the relevant Fund’s Base Currency. Any amendments to the registration details on an Application Form must be effected by an original written instruction.

Applications for subscriptions after the Initial Offer Period must be received by the Transfer Agent or the local Investor Services team by the Cut-Off Point. All subscriptions will be dealt on a forward pricing basis, i.e. by reference to the Net Asset Value per Share calculated at the Valuation Point on the relevant Dealing Day. Any applications received after the Cut-Off Point will normally be held over until the next Dealing Day but may be accepted for dealing on the Dealing Day at the discretion of the Manager (provided they are received prior to the Valuation Point). Shares will be subscribed at the Subscription Price calculated at the Valuation Point on the relevant Dealing Day.

All Application Forms and other dealing orders should contain all required information, including (but not limited to) Share Class specific information such as the International Securities Identification Number (ISIN) of the Share Class the investor wishes to deal in. Where the ISIN quoted by the investor is different from any other Share Class specific information provided

by the investor with respect to such order, the quoted ISIN shall be decisive and the Manager and the Administrator may process the order accordingly taking into account the quoted ISIN only.

Applications for registered Shares should be made for Shares having a specified value and fractions of Shares will be issued where appropriate.

The Manager has the right to accept or reject in whole or in part any application for Shares without assigning any reason therefor. In addition, issues of Shares of any or all Funds may be deferred until the next Dealing Day or suspended, where the aggregate value of orders for all Share Classes of that Fund exceeds a specified value (currently fixed by the Directors at 10% by approximate value of the Fund concerned) and the Directors consider that to give effect to such orders on the relevant Dealing Day would adversely affect the interests of existing Shareholders. This may result in some Shareholders having subscription orders deferred on a particular Dealing Day, whilst others do not. Applications for Shares so deferred will be dealt with in priority to later requests.

Investors must meet the investment criteria for any Share Class in which they intend to invest (such as minimum initial investment or minimum holding). If an investor purchases Shares in a Share Class in which that investor does not meet the investment criteria or where the investor ceases to meet the investment criteria, then the Directors reserve the right to redeem the investor's holding. In such a scenario the Directors are not obliged to give the investor prior notice of their actions. The Directors may also decide, upon prior consultation with and approval of the relevant Shareholder, to switch the Shareholder into a more appropriate Class in the relevant Fund (where available).

## **b. Settlement**

For all Shares, settlement in cleared funds net of bank charges must be made within two Business Days of the relevant Dealing Day, unless otherwise specified in the contract note in cases where the standard settlement date is a public holiday for the currency of settlement. If timely settlement is not made (or a completed Application Form is not received for an initial subscription) the relevant allotment of Shares may be cancelled and an applicant may be required to compensate the relevant distributor and/or the ICAV if necessary. Payments made by physical cash or cheque will not be accepted.

Settlement should normally be made in the Dealing Currency for the relevant Share Class. An investor may, by prior arrangement with the Transfer Agent or the local Investor Services team, provide the Transfer Agent with any major freely convertible currency and the Transfer Agent will arrange the necessary currency exchange transaction. Any such currency exchange will be effected at the investor's risk and cost.

The Manager may, at its discretion, accept subscriptions in kind, or partly in cash and in kind, subject always to the minimum initial subscription amounts and the additional subscription amounts and provided further that the value of such subscription in kind (after deduction of any relevant charges and expenses) equals the subscription price of the Shares. Such securities will be valued on the relevant Dealing Day. Further details of applications in kind are set out in the sub-section headed "Subscriptions/Redemptions in Kind".

## **3. Redemption of Shares**

### **a. Applications to Redeem**

Instructions for the redemption of registered Shares should normally be given in writing to the Transfer Agent or the local Investor Services team on the Application Form, and the Manager may, at its sole discretion, accept individual dealing orders submitted via other forms of electronic communication. Redemption orders can be processed on receipt of electronic instructions only where payment is to be made to the account of record. Written redemption requests (or written confirmations of such requests) must include the full name(s) and address of the holders, the name of the Fund, the Class (including whether it is the Distributing or Accumulating Share Class), the value or number of Shares to be redeemed and full settlement instructions and must be signed by all holders. If a redemption order is made for a cash amount or for a number of Shares to a higher value than that of the applicant's account then this order will be rejected and clarification will be sought from the applicant.

All redemptions will be dealt on a forward pricing basis, i.e. by reference to the Net Asset Value per Share for Shares calculated at the Valuation Point on the relevant Dealing Day. Redemption requests must be received by the Manager by the Cut-Off Point. If the redemption request is received after the Cut-Off Point, it shall (unless otherwise determined by the Manager) be treated as a request for redemption on the Dealing Day following such receipt and Shares will be redeemed at the Redemption Price calculated at the Valuation Point on the relevant Dealing Day.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original

subscriptions including the Application Form and anti-money laundering procedures have been completed.

## **b. Settlement**

Redemption payments will normally be despatched in the relevant Dealing Currency on the second Business Day after the relevant Dealing Day (and in any event not later than the tenth Business Day after the relevant Dealing Day), provided that the relevant documents (as described above and any applicable money laundering prevention or international financial sanctions information) have been received. On written request to the Transfer Agent or the local Investor Services team, payment may be made in such other currency as may be freely purchased by the Administrator with the relevant Dealing Currency and such currency exchange will be effected at the Shareholder's cost. In the absence of such request, payment will be made in the Fund's Base Currency.

Redemption payments for Shares are made by telegraphic transfer to the Shareholder's bank account at the Shareholder's cost. Investors with bank accounts in a Member State, the United Kingdom or other applicable jurisdiction must provide the IBAN (International Bank Account Number) and BIC (Bank Identifier Code) of their account.

The Directors may, subject to the prior consent of a Shareholder and to the minimum dealing and holding amounts, effect a payment of redemption proceeds in kind. Such redemption in kind will be valued on the relevant Dealing Day. Further details of redemptions in kind are set out in the sub-section headed "Subscriptions/Redemptions in Kind".

Any Shareholder who redeems or otherwise disposes of part of his holding must maintain a holding of not less than the minimum holding amount set out in the sub-section of the relevant Supplement headed "Minimum subscription amounts and initial offer periods" (or less at the discretion of the Investment Manager).

The Manager has the power to redeem the remaining holding of any Shareholder who redeems his minimum holding of Shares to below the relevant minimum holding amount.

## **c. Compulsory Redemption**

The Manager shall have the right to redeem compulsorily any Share at the Redemption Price or to require the transfer of any Share to a Qualified Holder if:

- (a) such Share is held directly or beneficially by any person who is not a Qualified Holder; or
- (b) such Share is held directly or beneficially by any person or persons in circumstances, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Manager to be relevant) which, in the opinion of the Manager might result in the Fund incurring any liability to taxation or suffering pecuniary disadvantages which the Fund might not otherwise have incurred or suffered or the Fund being required to register under the 1940 Act, or similar statute successor thereto or to register any class of its securities under the 1933 Act or similar statute successor thereto.

## **4. Operation of the Subscription and Redemption Collection Account**

The ICAV has established the ICAV Cash Collection Account. All subscriptions into and redemptions and distributions due from the Funds will be paid into the ICAV Cash Collection Account. Monies in the ICAV Cash Collection Account, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the ICAV, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the ICAV Cash Collection Account. Subscriptions amounts paid into the ICAV Cash Collection Account will be paid into an account in the name of the ICAV on the contractual settlement date. Where subscription monies are received in the ICAV Cash Collection Account, without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor within five (5) Business Days and as specified in the operating procedure in respect of the ICAV Cash Collection Account.

Redemptions and distributions, including blocked redemptions or distributions, will be held in the ICAV Cash Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant Shareholder.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the ICAV Cash Collection Account, as appropriate, is at the investor's risk.

The ICAV Cash Collection Account has been opened in the name of each of the ICAV. The Depositary will be responsible for safe-keeping and oversight of the monies in the ICAV Cash Collection Account, and for ensuring that relevant amounts in the ICAV Cash Collection Account are attributable to the appropriate Funds.

The ICAV and/or the Manager and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the participating Funds of the ICAV, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of moneys attributable to another Fund due to timing differences.

## 5. Switching Between Funds and Share Classes

Shareholders may request conversions of their shareholdings between Share Classes of the various Funds and thereby alter the balance of their portfolios to reflect changing market conditions.

Shareholders may also request conversion from one Share Class in a Fund to another Share Class of either the same Fund or a different Fund or between Distributing and Accumulating Shares of the same Class or between Hedged Share Classes and un-hedged Shares of the same Class (where available) or between different Currency Denominated Share Classes of the same Class.

In addition, investors may convert between any Class of UK Reporting Fund status Shares in one currency and the equivalent Class of Distributing Share Classes in non-UK Reporting Fund status Shares of the same currency. Investors should note that a conversion between a Share Class which has UK Reporting Fund status and a Share Class which does not have UK Reporting Fund status may cause the Shareholder to be subject to an "offshore income gain" on the eventual disposal of their interest in the Fund. If this is the case, any capital gain realised by investors on disposal of their investment (including any capital gain accruing in relation to the period where they held the UK Reporting Fund Share Class) may be subject to tax as income at their appropriate income tax rate. Investors should seek their own professional tax advice in this regard.

If the switch would result in the Shareholder holding a number of Shares in the original Fund with a value of less than the Minimum Holding, the Manager may, at its discretion, convert the whole of the applicant's holding of Shares in the original Fund or refuse to effect any switch. No switches will be made during any period in which the rights of Shareholders to require the redemption of their Shares are suspended. The general provisions on procedures for redemptions (including provisions relating to the delivery of Share certificates, if issued) will apply equally to switches.

The switching form must be received within the time limits specified for redemption of Shares in the original Fund or Share Class and application for Shares in the new Fund or Share Class (or such lesser period as the Manager may permit). The Redemption Price per Share in the original Fund or class will be applied towards the subscription/purchase of Shares in the new Fund or Share Class.

The number of Shares to be issued in the new Fund will be calculated in accordance with the following formula:

$$A = \frac{B \times C \times D}{E}$$

Where

- A = number of Shares of the new Fund or Share Class to be allocated
- B = number of Shares of the original Fund or Share Class to be switched
- C = Redemption Price per Share on the relevant Dealing Day for the original Fund or Share Class
- D = the currency conversion factor determined by the Administrator as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the transfer of assets between the relevant Funds or Share Classes (where the Base Currencies of the relevant Funds or Share Classes are different) or where the Base Currencies of the relevant Funds or Share Classes are the same (D = 1)
- E = Subscription Price per Share on the relevant Dealing Day for the new Fund or Share Class

Investors should note that a conversion between Shares held in different Funds may give rise to an immediate taxable event.

As tax laws differ widely from country to country, investors should consult their tax advisers as to the tax implications of such a conversion in their individual circumstances.

Shareholders may request conversions of the whole or part of their shareholding provided that the Shareholder satisfies the conditions applicable to investment in the Share Class being converted into. Such conditions include but are not limited to:

- satisfying any minimum investment requirement;
- demonstrating that they qualify as an eligible investor for the purposes of investing in a particular Share Class;
- the suitability of the charging structure of the Share Class being converted into; and by
- satisfying any conversion charges that may apply.

provided that the Manager may, at its discretion, elect to waive any of these requirements where it deems such action reasonable and appropriate under the circumstances.

While conversions between the same Share Class of two Funds are normally free of charge, the Manager may, at its discretion (and without prior notice) and as set out in further detail under the sub-section headed "Excessive Trading Policy", apply a conversion charge which would increase the amount paid to up to a maximum of 2% if excessively frequent conversions are made. This charge will be made for the benefit of the relevant Fund, and affected Shareholders will be notified in their contract notes if such a fee has been charged.

The Manager may, at its discretion, refuse conversions in order to ensure that the Shares are not held by or on behalf of any person who does not meet the conditions applicable to investment in that Share Class, or who is not a Qualified Holder if required for the relevant Share Class, or who would then hold the Shares in circumstances which could give rise to a breach of law, or requirements of any country, government or regulatory authority on the part of that person or the ICAV or give rise to adverse tax or other pecuniary consequences for the ICAV, including a requirement to register under any securities or investment or similar laws or requirements of any country or authority. In addition, the Manager may, at its discretion, refuse conversions between Share Classes if it presented currency conversion issues, for example, if the relevant currencies in respect of the conversion were illiquid at the time.

#### **Instructions to convert**

Instructions for the conversion of Shares should normally be given by instructing the Transfer Agent or the local Investor Services team in writing and the Manager may, at its sole discretion, accept individual conversion orders submitted via other forms of electronic communication. Instructions may also be given in writing to the Transfer Agent or the local Investor Services team. Written conversion requests (or written confirmations of such requests) must include the full name(s) and address of the holder(s), the name of the Fund, the Class (including whether it is the Distributing or Accumulating Share Class), the value or number of Shares to be converted and the Fund to be converted into (and the choice of Dealing Currency of the Fund where more than one is available) and whether or not they are UK Reporting Fund status Shares. Where the Funds to which a conversion relates have different Dealing Currencies, currency will be converted at the relevant rate of exchange on the Dealing Day on which the conversion is effected.

#### **Minimum Dealing & Holding Sizes**

The ICAV may refuse to comply with redemption, conversion or transfer instructions if they are given in respect of part of a holding in the relevant Share Class which has a value of less than the minimum holding in respect of a particular Fund or the approximate equivalent in the relevant Dealing Currency or if to do so would result in such a holding of less than the minimum holding. Details of any variations to the current minima described in this Prospectus are available from the local Investor Services team.

If as a result of a withdrawal, switch or transfer a small balance of Shares, meaning an amount of £5 (or its currency equivalent) or less, is held by a Shareholder, the Manager shall have absolute discretion to realise this small balance and donate the proceeds to a UK registered charity selected by the Manager.

#### **Excessive Trading Policy**

The Manager does not knowingly allow subscription or redemption activity that is associated with excessive trading practices as such practices may adversely affect the interests of all Shareholders. Excessive trading in and out of a Fund includes individuals' or groups of individuals' securities transactions that seem to follow a timing pattern or are characterised by

excessively frequent or large trades.

Shareholders should, however, be aware that the Funds may be utilised by certain investors for asset allocation purposes or by structured product providers, which may require those Shareholders periodically to exchange their Shares between Funds. This activity will not normally be classed as excessive trading unless the activity becomes, in the opinion of the Manager, too frequent or appears to follow a timing pattern.

As well as the general power of the Manager to refuse subscriptions, switches, conversions or transfers at their discretion, powers exist in other sections of this Prospectus to ensure that Shareholder interests are protected against excessive trading such as fair value pricing (please refer to Appendix C), swing pricing (please refer to Appendix C), the application of Duties and Charges (please refer to Appendix C), in-kind redemptions (please refer to the sub-section headed "Redemptions in Kind" below) and conversion charges (please refer to the sub-section headed "Switching between Funds and Share Classes").

In addition, where excessive trading is suspected, the Funds may:

- (i) combine Shares that are under common ownership or control for the purposes of ascertaining whether an individual or a group of individuals can be deemed to be involved in excessive trading practices. Accordingly, the Manager reserves the right to reject any application for switches, conversions, transfers and/or subscription of Shares from investors whom they consider to be excessive traders; and
- (ii) adjust the Net Asset Value per Share to reflect more accurately the fair value of the Funds' investments at the point of valuation. This will only take place if the Directors believe that movements in the market price of underlying securities mean that in their opinion, the interests of all Shareholders will be met by a fair price valuation; and
- (iii) levy a redemption charge of 2% of the redemption proceeds to Shareholders whom the Manager, in its reasonable opinion, suspects of excessive trading. This charge will be made for the benefit of the relevant Fund, and affected Shareholders will be notified in their contract notes if such a fee has been charged.

## **Subscriptions/Redemptions in Kind**

### **Subscriptions in Kind**

The Manager may issue Shares of any Class of Fund in kind provided that:

- (a) in the case of a person who is not an existing Shareholder no Shares shall be issued until the person concerned shall have completed and delivered to the Manager an Application Form as required under this Prospectus (or otherwise) and satisfied all the requirements of the Manager as to such person's application;
- (b) the nature of the investments transferred into the Fund are such as would qualify as investments of such Fund in accordance with the investment objectives, policies and restrictions of such Fund;
- (c) no Shares shall be issued until the investments shall have been vested in the Depositary or any sub-custodian to the Depositary's satisfaction and the Depositary shall be satisfied that the terms of such settlement will not be such as are likely to result in any material prejudice to the existing Shareholders of the Fund; and
- (d) the Manager is satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to remaining Shareholders and provided that any such exchange shall be effected upon the terms (including provision for paying any expenses of exchange and any preliminary charge as would have been payable for Shares issued for cash) that the number of Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the investments concerned calculated in accordance with the procedures for the valuation of the assets of the relevant Fund (provided however that such sum may be amended by such amount as the Manager considers appropriate to remove any "swing pricing" adjustment for any Fund that may be priced on swing pricing basis).

### **Redemptions in Kind**

The Manager may redeem Shares of any Class of a Fund in kind provided that:

- (a) an Application Form is completed and delivered to the Manager as required by this Prospectus and the redemption request otherwise satisfies all the requirements of the Manager as to such request and the Shareholder seeking redemption of Shares agrees to such course of action;
- (b) the Manager is satisfied that the terms of any exchange would not be such as would be likely to result in any

prejudice to the remaining Shareholders, and elects that instead of the Shares being redeemed in cash, the redemption shall be satisfied in kind by the transfer to the Shareholder of investments. The value thereof shall not exceed the amount which otherwise would have been payable on a cash redemption (provided however that such value may be amended by such amount as the Manager considers appropriate to remove any “swing price” adjustment for any Fund that may be priced on swing pricing basis) and provided that the transfer of investments is approved by the Depositary. The shortfall (if any) between the value of the Investments transferred on a redemption in kind and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash. Any decline in the value of the investments to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which investments are delivered to the redeeming Shareholder shall be borne by the redeeming Shareholders; and

- (c) if a redeeming Shareholder requests redemption of a number of Shares that represents 5% or more of the Net Asset Value of a Fund, the Manager may in its sole discretion redeem the Shares by way of exchange for investments and in such circumstances the Manager will, if requested by the redeeming Shareholder, sell the investments on behalf of the Shareholder. The cost of such a sale may be charged to the Shareholder.

If the discretion conferred upon the Manager above is exercised, the Manager shall notify the Depositary and shall supply to the Depositary particulars of the investments to be transferred and any amount of cash to be paid to the Shareholder. All stamp duties, transfer and registration fees in respect of such transfer shall be payable by the Shareholder. Any allocation of investments pursuant to an in-kind redemption is subject to the approval of the Depositary.

### **Total Redemption and Termination of the ICAV or a Fund or Class**

The ICAV and each Fund is established for an unlimited period and may have unlimited assets. However, the ICAV may redeem all of its Shares or the Shares of any Fund or Class in issue if:

- (a) the Shareholders of the relevant Fund or Class pass a Special Resolution providing for such redemption at a general meeting of the holders of the Shares of that Fund or Class or in writing;
- (b) the Directors deem it appropriate because of adverse political, economic, fiscal or regulatory changes affecting the ICAV or the relevant Fund in any way;
- (c) the Net Asset Value of the relevant Fund, or of a Class of Shares in a Fund, does not exceed or falls below such minimum amount as may be determined from time to time by the Directors;
- (d) where the Depositary has served notice of its intention to retire and an alternative depositary has not been appointed within 90 days from the date of such notice. See the sub-section of the Prospectus headed “The Depositary”; or
- (e) the Directors deem it appropriate for any other reason and provide advance notification to Shareholders.

In the event of termination, the Shares of the ICAV or Fund or Class will be redeemed after giving such prior written notice as may be required by law to all holders of such Shares. The Shares will be redeemed at the Redemption Price per Share of such Class on the relevant Dealing Day.

If the ICAV will be wound up or dissolved (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may with the authority of an Ordinary Resolution, divide among the Shareholders pro-rata to the value of their shareholdings in the ICAV (as determined in accordance with the Instrument of Incorporation) in kind the whole or any part of the assets of the ICAV, and whether or not the assets will consist of property of a single kind and may for such purposes value any class or classes of property in accordance with the valuation provisions in the Instrument of Incorporation. The liquidator may, with the authority of an Ordinary Resolution, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator will think fit, and the liquidation of the ICAV may be closed and the ICAV dissolved, but not so that any Shareholder will be compelled to accept any asset in respect of which there is a liability. If a Shareholder so requests, the Investment Manager will sell the assets to be distributed to that Shareholder and distribute the cash proceeds to the Shareholder. Shareholders will bear any risks of the distributed securities and may be required to pay a brokerage commission or other costs in order to dispose of such securities.

### **Non-Dealing Days**

Some Business Days will not be Dealing Days for certain Funds where, for example, a substantial amount of such Fund’s portfolio is traded in market(s) which are closed. In addition, the day immediately preceding such a relevant market closure may be a non-Dealing Day for such Funds, in particular where the Cut-Off Point occurs at a time when the relevant markets are already closed to trading, so that the Funds will be unable to take appropriate actions in the underlying market(s) to

reflect investments in or divestments out of Fund Shares made on that day. A list of the Business Days which will be treated as non-Dealing Days for certain Funds from time to time can be obtained from the Manager upon request. This list is subject to change.

### **Transfer of Shares**

Shares are (save as hereinafter specified) freely transferable and may be transferred in writing in a form approved by the Manager or by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank. The Manager may decline to register any transfer of a Share where it appears that such transfer would result in the legal or beneficial ownership of such Shares by a person who is not a Qualified Holder or expose the Fund to adverse tax or regulatory consequences. During any period when the determination of the Net Asset Value of the relevant Fund has been temporarily suspended, the Manager at its discretion may permit the registration of any transfer of Shares.

### **Temporary Suspensions**

The Manager may temporarily suspend the determination of the Net Asset Value of any Fund and the issue and redemption of Shares of any Class of any Fund during the whole or part of any period. The circumstances under which this may be implemented are described in further detail in Appendix C.

In the event of any suspension, the Manager will immediately publish such fact on [www.blackrock.com](http://www.blackrock.com) and will immediately (and in any event during the Business Day on which the suspension occurred), notify the Central Bank and any other competent authority in a Member State or other country in which Shares are marketed.

The Manager or Administrator will not be liable for any costs incurred by an investor as a result of the temporary suspension of the restriction of redemptions as set out above.

### **Redemption Restrictions**

Where the Transfer Agent receives in respect of any Dealing Day requests for redemptions which in the aggregate amount to more than 10% in value of the Shares of any Fund in issue, the Manager, in its sole discretion, may reduce each such request for redemption of Shares pro rata so that all such requests cover no more than 10% in value of the Shares of the particular Fund in issue. Any part of a redemption request to which effect is not given by reason of the exercise of this power by the Manager shall be treated as if a request had been made in respect of the next Dealing Day and each succeeding Dealing Day (in relation to which the Manager shall have the same power) until the original requests have been satisfied in full.

For the avoidance of doubt, deferred redemptions as described above will not be effected in priority to other redemption or switching requests received on the same Dealing Day. If redemption or switching requests are so carried forward, the Manager shall procure that the Shareholders whose dealings are affected thereby are promptly informed.

The Manager or Administrator will not be liable for any costs incurred by an investor as a result of the temporary suspension of the issue and redemption of Shares of any Fund.

### **Currency of Payment and Foreign Exchange Transactions**

Where payments in respect of subscriptions, redemptions or switches of Shares or dividend payments are tendered or requested in a major currency other than the designated currency of the relevant Share Class of the relevant Fund any necessary foreign exchange transactions may be arranged by the Manager (at its discretion) for the account of, and at the risk and expense of, the applicant, in the case of purchases at the time cleared funds are received, in the case of redemptions at the time the request for redemption is received and accepted, and in the case of dividends at the time of payment. The Manager may arrange for such transactions to be carried out by an affiliate of the Investment Manager. The exchange rate applicable to any such transactions will be the prevailing exchange rate quoted by the Manager's bankers or by an Affiliate.

### **Income Equalisation**

The Funds operate income equalisation arrangements with a view to ensuring that the level of income accrued within a Fund and attributable to each share is not affected by dealings in that Fund during the relevant accounting period. For example, where a shareholder purchases shares during the relevant accounting period, the offer price of those shares will include an income equalisation amount which reflects the value of income earned since the record date for the last income allocation. The first distribution or accumulation of income following that purchase refunds this amount as a return of capital, which is therefore not liable to income tax but must be deducted from the cost of shares for capital gains purposes.

## 6. RISK FACTORS

Before investing in any of the Funds, please read this Risk Factors section in full.

### 1. General Risks

#### *Performance*

The performance of each Fund will depend on the performance of the underlying investments. No guarantee or representation is made that any Fund or any investment will achieve its respective investment objectives. Past results are not necessarily indicative of future results. The value of the Shares may fall due to any of the risk factors below as well as rise and an investor may not recoup its investment. Income from the Shares may fluctuate in money terms. Changes in exchange rates may, among other factors, cause the value of Shares to increase or decrease. The levels and bases of, and reliefs from, taxation may change. There can be no assurance that the collective performance of a Fund's underlying investments will be profitable. Also, there is no guarantee of the repayment of principal. On establishment, a Fund will normally have no operating history upon which investors may base an evaluation of performance.

#### *Fund liability*

The ICAV is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the ICAV is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability.

#### *Financial Markets, Counterparties and Service Providers*

The Funds may be exposed to finance sector companies which act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse effect on the activities of the Funds.

Regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future regulatory action on the ICAV could be substantial and adverse.

#### *Tax Considerations*

The ICAV may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the ICAV invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The ICAV may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value of the Shares.

The ICAV (or its representative) may file claims on behalf of the Funds to recover withholding tax on dividend and interest income (if any) received from issuers in certain countries where such withholding tax reclaim is possible. Whether or when a Fund will receive a withholding tax refund in the future is within the control of the tax authorities in such countries. Where the ICAV expects to recover withholding tax for a Fund based on a continuous assessment of probability of recovery, the net asset value of that Fund generally includes accruals for such tax refunds. The ICAV continues to evaluate tax developments for potential impact to the probability of recovery for such Funds. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation or approach, accruals in the relevant Fund's net asset value for such refunds may need to be written down partially or in full, which will adversely affect that Fund's net asset value. Investors in that Fund at the time an accrual is written down will bear the impact of any resulting reduction in NAV regardless of whether they were investors during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, investors in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund's Net Asset Value. Investors who sold their Shares prior to such time will not benefit from such Net Asset Value increase.

The tax information provided in section 8 of this Prospectus ("Taxation") is based, to the best knowledge of the Directors, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the ICAV, the taxation of Shareholders and any tax reliefs, and the consequences of such tax status and tax reliefs, may change from time to time. Any change in the taxation legislation in any jurisdiction where a Fund is registered, marketed or invested could affect the tax status of the Fund, affect the value of the Fund's investments in the affected jurisdiction and affect the Fund's ability to achieve its investment objective and/or alter the post-tax returns to Shareholders. Where a Fund invests in derivatives, the preceding sentence may also extend to the jurisdiction of the governing law of the derivative contract and/or the derivative counterparty and/or to the market(s) comprising the underlying exposure(s) of the derivative.

The availability and value of any tax reliefs available to Shareholders depend on the individual circumstances of Shareholders. The information in section 8 of this Prospectus ("Taxation") is not exhaustive and does not constitute legal or tax advice. Investors are urged to consult their tax advisers with respect to their particular tax situations and the tax effects of an investment in the ICAV.

Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example in jurisdictions in the Middle East, the relevant Fund, the Manager, the Investment Manager and the Depositary shall not be liable to account to any Shareholder for any payment made or suffered by the ICAV in good faith to a fiscal authority for taxes or other charges of the ICAV or the relevant Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered. Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the relevant Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Fund. Such late paid taxes will normally be debited to the Fund at the point the decision to accrue the liability in the Fund accounts is made.

Shareholders should also read the information set out in the sub-section headed "FATCA and other cross-border" reporting systems", particularly in relation to the consequences of the ICAV being unable to comply with the terms of such reporting systems.

#### *Hedged Share Classes*

While a Fund or its authorised agent may attempt to hedge currency risks, there can be no guarantee that it will be successful in doing so and it may result in mismatches between the currency position of that Fund and the Hedged Share Class. To the extent that hedging is successful, the performance of the relevant Class of Shares is likely to move in line with the performance of the underlying assets.

Hedged Share Classes use forward FX contracts and spot FX contracts to reduce or minimise the risk of currency fluctuations between the Dealing Currency of a Hedged Share Class and the Base Currency of a Fund or between its underlying portfolio currency exposures against its Dealing Currency. In circumstances where the Dealing Currency of a Hedged Share Class is generally strengthening against the currency exposures being hedged (i.e. the Base Currency of a Fund or the currencies of the constituent securities of the underlying portfolio currency exposures of a Hedged Share Class), currency hedging may protect investors in the relevant Share Class against such currency movements. However, where the Dealing Currency of a Hedged Share Class is generally weakening against the currency exposures being hedged, currency hedging may preclude investors from benefiting from such currency movements. Investors should only invest in a Hedged Share Class if they are willing to forego potential gains from appreciations in the Base Currency or currencies of the constituent securities of the underlying portfolio currency exposures of a Hedged Share Class against the Dealing Currency. While currency hedging is likely to reduce currency risk in the Hedged Share Classes, it is unlikely to completely eliminate currency risk. Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could reduce the ability of the Hedged Share Class to reduce its currency risk and the volatility of such Hedged Share Class.

Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could further affect the volatility of the Hedged Share Class. Funds may also use hedging strategies which seek to provide exposure to certain currencies (i.e. where a currency is subject to currency trading restrictions). These hedging strategies involve converting the Net Asset Value of the relevant Share Class into the relevant currency using financial derivative instruments (including currency forwards).

To the extent that a Fund does not employ strategies aimed at hedging certain Classes, such Classes will be subject to exchange rate risk in relation to the base currency of the relevant Fund.

All gains/losses or expenses arising from hedging transactions are borne separately by the Shareholders of the respective Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the Net Asset Value of the other Share Classes of the same Fund.

#### *Currency Risk – Share Class Currency*

Certain Share Classes of certain Funds may be denominated in a currency other than the Base Currency of the relevant Fund, such as Currency Denominated Share Classes. In addition, the Funds may invest in assets denominated in currencies other than the Base Currency or the Share Class currency. Therefore, changes in exchange rates and changes in exchange rate controls may affect the value of an investment in the Funds.

#### *Currency Risk – Investor's Own Currency*

An investor may choose to invest in a Share Class which is denominated in a currency that is different from the currency in which the majority of the investor's assets and liabilities are denominated (the "Investor's Currency"). In this scenario, a currency conversion will take place on subscription, redemption, switching and distribution as prevailing exchange rates and the investor is subject to currency risk in the form of potential capital losses resulting from movements of the exchange rate between the Investor's Currency and the currency of the Share Class in which such investor invests, in addition to the other currency risks described herein and the other risks associated with an investment in the relevant Fund.

*Counterparty Risk to the Depositary*

The assets of the ICAV are entrusted to the Depositary for safekeeping, as set out in further detail in the sub-section of the Prospectus headed "Duties of the Depositary". In accordance with the Directive, in safekeeping the assets of the ICAV, the Depositary shall: (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verify the ownership of such assets and maintain a record accordingly. The assets of the ICAV should be identified in the Depositary's books as belonging to the ICAV.

Securities held by the Depositary should be segregated from other securities/assets of the Depositary in accordance with applicable law and regulation, which mitigates but does not exclude the risk of non-restitution in case of bankruptcy of the Depositary. The investors are therefore exposed to the risk of the Depositary not being able to fully meet its obligation to reconstitute all of the assets of the ICAV in the case of bankruptcy of the Depositary. In addition, a Fund's cash held with the Depositary may not be segregated from the Depositary's own cash / cash under custody for other clients of the Depositary, and a Fund may therefore rank as an unsecured creditor in relation thereto in the case of bankruptcy of the Depositary.

The Depositary may not keep all the assets of the ICAV itself but may use a network of sub-custodians which are not always part of the same group of companies as the Depositary. Investors may be exposed to the risk of bankruptcy of the sub-custodians in circumstances in which the Depositary may have no liability where the loss incurred is as a result of an external event beyond the control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

A Fund may invest in markets where custodial and/or settlement systems are not fully developed. The assets of the Fund that are traded in such markets and which have been entrusted to such sub-custodians may be exposed to risk in circumstances in which the Depositary may have no liability where the loss incurred is as a result of an external event beyond the control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

*Cybersecurity and Technological Malfunctions risk*

A Fund or any of the service providers, including the Manager and the Investment Manager, may be subject to risks resulting from cybersecurity incidents and/or technological malfunctions. A cybersecurity incident is an event that may cause a loss of proprietary information, data corruption or a loss of operational capacity. Cybersecurity incidents can result from deliberate cyber attacks or unintentional events. Cyber attacks include, but are not limited to gaining unauthorised access to digital systems (e.g. through hacking or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data, releasing confidential information without authorisation or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites, which may make network services unavailable to intended users. The issuers of securities and counterparties to other financial instruments in which a Fund invests may also be subject to cybersecurity incidents.

Cybersecurity incidents may cause a Fund to suffer financial losses, interfere with a Fund's ability to calculate its Net Asset Value, impede trading, disrupt the ability of investors to subscribe for, exchange or redeem their Shares, violate privacy and other laws and incur regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Cyber-attacks may render records of assets and transactions of a Fund, Shareholder ownership of Shares, and other data integral to the functioning of a Fund inaccessible, inaccurate or incomplete. In addition, substantial costs may be incurred in order to prevent any cybersecurity incidents in the future which may adversely impact a Fund.

While the Manager and the Investment Manager have established business continuity plans and risk management strategies to seek to prevent cybersecurity incidents, there are inherent limitations in such plans and strategies, including the possibility that certain risks have not been identified given the evolving nature of the threat of cyber-attacks.

Furthermore, none of the Funds, the Manager or the Investment Manager can control the business continuity plans or cybersecurity strategies put in place by other service providers to a Fund or issuers of securities and counterparties to other financial instruments in which a Fund invests.

Technological malfunctions may occur from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers. Whilst the Manager and the Investment Manager seek to minimise such events through controls and oversight, there may still be failures that could cause losses to the Funds.

The Investment Manager relies on its third party service providers for many of their day-to-day operations and will be subject to the risk that the protections and policies implemented by those service providers will be ineffective to protect the Investment Manager or a Fund from cyber-attack and/or technological malfunction.

*Operational risk*

The Funds are exposed to operational risks arising from a number of factors, including, but not limited to, human error, processing and communication errors, errors of service providers, counterparties or other third parties, failed or inadequate processes, and technology or systems failures. The Manager seeks to reduce these operational risks through controls and procedures and, through its monitoring and oversight of providers of services for the Funds, also seeks to ensure that such service providers take appropriate precautions to avoid and mitigate risks that could lead to disruptions and operating errors. However, it is not possible for the Manager and other service providers to identify and address all of the operational risks that may affect a Fund or to develop processes and controls to completely eliminate or mitigate their occurrence or effects.

A Fund's operations (including investment management, distribution, collateral management, administration, and currency hedging) are carried out by several service providers which are selected based on a rigorous due diligence process. Nevertheless, the Manager and other service providers to the Funds may experience disruptions or operating errors such as processing errors or human errors, inadequate or failed internal or external processes, or systems or technology failures, provision or receipt of erroneous or incomplete data, resulting in operational risk which may have a negative effect on the Fund's operations and may expose the Fund to a risk of loss. This can manifest itself in various ways, including business interruption, poor performance, information systems malfunctions or failures, provision or receipt of erroneous or incomplete data or loss of data, regulatory or contractual breaches, human error, negligent execution, employee misconduct, fraud or other criminal acts. Investors could experience delays (for example, delays in the processing of subscriptions, switching and redemption of Shares) or other disruptions. While the Manager seeks to minimise operational errors as set out above, there may still be failures that could cause losses to a Fund and reduce the value of the Fund.

#### *Liquidity risk*

Trading volumes in the underlying investments of the Funds may fluctuate significantly depending on market sentiment. There is a risk that investments made by the Funds may become less liquid in response to market developments, adverse investor perceptions or regulatory and government intervention (including the possibility of widespread trading suspensions implemented by domestic regulators). In extreme market conditions, there may be no willing buyer for an investment and that investment cannot be readily sold at the desired time or price, and consequently the relevant Fund may have to accept a lower price to sell the relevant investment or may not be able to sell the investment at all. An inability to sell a particular investment or portion of a Fund's assets can have a negative impact on the value of the relevant Fund or prevent the relevant Fund from being able to take advantage of other investment opportunities.

Investment in equity securities issued by unlisted companies, small and mid-capitalisation companies and companies based in emerging countries are particularly subject to the risk that during certain market conditions, the liquidity of particular issuers, sectors or industries, or all securities within a particular investment category, will reduce or disappear suddenly and without warning as a result of adverse economic, market or political events, or adverse market sentiment.

Liquidity risk also includes the risk that relevant Funds, including those Funds with a concentrated exposure to such issuers, sectors or industries, may be forced to defer redemptions, issue in specie redemptions or suspend dealing because of stressed market conditions, an unusually high volume of redemption requests, or other factors beyond the control of the investment manager. To meet redemption requests, the relevant Funds may be forced to sell investments at an unfavourable time and/or conditions, which may have a negative impact on the value of your investment. Investors in an impacted Fund may also experience increased dealing costs as a result of anti-dilution measures taken by the Manager (see Appendix C).

#### *Market Risk*

Market risk is the risk that one or more markets in which a Fund invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. The value of a security or other asset may decline due to changes in general market conditions, economic trends or events that are not specifically related to the issuer of the security or other asset, or factors that affect a particular issuer or issuers, exchange, country, group of countries, region, market, industry, group of industries, sector or asset class. 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 a Fund and its investments.

#### *Limited Operating History*

Newly formed Funds have little or no operating history upon which investors can evaluate the anticipated performance. Past investment performance should not be construed as an indication of the future results of an investment in a Fund. The Fund's investment programme should be evaluated on the basis that there can be no assurance that the Investment Manager's assessments of the short-term or long-term prospects of investments, will prove accurate or that the Fund will achieve its investment objective.

#### *Subscription and Redemption Collection Account*

Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the ICAV Cash Collection Account in the name of the ICAV. Investors will be unsecured creditors with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Fund or any other

Shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the ICAV, there is no guarantee that the Fund or ICAV will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the ICAV during this period, there is no guarantee that the Fund or ICAV will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

#### *Euro and Eurozone Risk*

The deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, has exacerbated the global economic crisis. Concerns persist regarding the risk that other Eurozone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Italy, Ireland, Spain and Portugal. This situation as well as the United Kingdom's referendum have raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union and may result in changes to the composition of the Eurozone. The departure or risk of departure from the Euro by one or more Eurozone countries could lead to the reintroduction of national currencies in one or more Eurozone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of a Fund's investments. It is difficult to predict the final outcome of the Eurozone crisis. Shareholders should carefully consider how changes to the Eurozone and European Union may affect their investment in a Fund.

#### *Potential Implications of Brexit*

On 31 January 2020 the United Kingdom (the "UK") formally withdrew and ceased being a member of the European Union (the "EU"). Following this, the UK entered into a transition period which lasted for the remainder of 2020, during which period the UK was subject to applicable EU laws and regulations. The transition period expired on 31 December 2020, and EU law no longer applies in the UK.

On 30 December 2020, the UK and the EU signed an EU-UK Trade and Cooperation Agreement ("UK/EU Trade Agreement"), which applies from 1 January 2021 and sets out the foundation of the economic and legal framework for trade between the UK and the EU. As the UK/EU Trade Agreement is a new legal framework, the implementation of the Agreement may result in uncertainty in its application and periods of volatility in both the UK and wider European markets throughout 2021 and beyond. The UK's exit from the EU is expected to result in additional trade costs and disruptions in this trading relationship. While the UK/EU Trade Agreement provides for the free trade of goods, it provides only general commitments on market access in services together with a "most favoured nation" provision which is subject to many exceptions. Furthermore, there is the possibility that either party may impose tariffs on trade in the future in the event that regulatory standards between the EU and the UK diverge. The terms of the future relationship may cause continued uncertainty in the global financial markets, and adversely affect the performance of a Fund.

Volatility resulting from this uncertainty may mean that the returns of a Fund's investments are affected by market movements, the potential decline in the value of Sterling or Euro, and the potential downgrading of sovereign credit ratings of the UK or an EU member state.

#### *Impact of Natural or Man-Made Disasters and Disease Epidemics*

Certain regions are at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organized public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored and operations of the portfolio company can be resumed. A Fund's investments could also be at risk in the event of such a disaster. The magnitude of future economic repercussions of natural disasters may also be unknown, may delay a Fund's ability to invest in certain companies, and may ultimately prevent any such investment entirely.

Investments may also be negatively affected by man-made disasters. Publicity of man-made disasters may have a significant negative impact on overall consumer confidence, which in turn may materially and adversely affect the performance of a Fund's investments, whether or not such investments are involved in such man-made disaster.

Outbreaks of infectious diseases may also have a negative impact on the performance of the Funds. For example, an infectious respiratory disease caused by a novel coronavirus known as COVID-19 detected in December 2019 gave rise to a global pandemic. This pandemic adversely affected the economies of many nations globally, negatively affecting the performance of individual companies and capital markets. Future epidemics and pandemics could have similar effects, and the extent of their impact cannot be foreseen at the present time.

Moreover, the impact of infectious diseases in certain developing or emerging market countries may be more severe due to less established healthcare systems, as was evident with COVID-19. Health crises caused by infectious diseases can exacerbate existing political, social, and economic risks in these countries leading to prolonged recovery periods and greater investment risks in these regions. The long-term effects of such outbreaks may include increased volatility as investors react to uncertainty and rapidly changing conditions and potential losses in the value of investments.

Governments and regulatory bodies may implement new policies and regulations in response to health crises, which can impact various industries and investment strategies. These responses can include fiscal stimulus, changes in healthcare policies, and adjustments to trade and travel regulations.

## 2. Risk associated with the Index Tracking Funds and the Enhanced Index Funds

### *Passive Investment Risk*

The Index Tracking Funds are not actively managed and may be affected by a general decline in market segments related to their respective Benchmark Indices. The Enhanced Index Funds, which invest in a similar universe of investments as their respective Benchmark Indices, may be similarly affected. The Index Tracking Funds invest in securities included in, or representative of, their respective Benchmark Indices, and the Funds do not attempt to take defensive positions under any market conditions, including declining markets. The Enhanced Index Funds aim to take overweight and/or underweight positions relative to their respective Benchmark Indices in order to generate some outperformance (gross of fees) relative to such indices – accordingly, the ability of Enhanced Index Funds to take defensive positions, including at times of declining markets, may be significantly constrained.

### *Index Tracking Risks*

While Index Tracking Funds in accordance with their investment objectives, seek to track the performance of their respective Benchmark Indices, whether through a replication or optimising strategy, there is no guarantee that they will achieve perfect tracking and the Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices, from time to time. This tracking error may result from an inability to hold the exact constituents of the Benchmark Index, (although this is not the expected cause of tracking error for non-replicating Funds), for example where there are local market trading restrictions, small illiquid components, a temporary unavailability or interruption in trading of certain securities comprising the Benchmark Index, or in order to meet a Fund's ESG criteria or categorisations and/or where the Regulations limit exposure to the constituents of the Benchmark Index.

Where the Benchmark Index of a Fund is to be rebalanced and the Fund seeks to rebalance its portfolio accordingly, the Fund may nevertheless experience tracking error where the rebalancing of the Fund's portfolio does not maintain an exact or contemporaneous alignment, whether on a replicating or an optimised basis, with the Benchmark Index. For example, a Fund may require time to complete the implementation of its rebalance after the rebalance of its Benchmark Index. In addition, a Fund which tracks a Benchmark Index with ESG objectives or characteristics may experience a deviation from the ESG performance or risk of its Benchmark Index. For liquidity purposes, the Funds may hold a portion of their net assets in cash and such cash holdings will not rise and fall in line with movements in their respective Benchmark Indices. In addition, the Funds rely on index licences granted by third-party index providers to use and track the Benchmark Indices for its Funds. In the event that an index provider terminates or varies an index licence, it will affect the ability of the impacted Funds to continue to use and track their Benchmark Indices and to meet their investment objectives. In such circumstances, the Directors may take such action as described in the section entitled "Benchmark Indices". Regardless of market conditions, the Funds aim to track the performance of their respective Benchmark Indices and do not seek to outperform their respective Benchmark Indices.

### *Index Related Risks*

To meet its investment objective, each Index Tracking Fund will seek to achieve a return which reflects the return of its Benchmark Index. Similarly, to meet its investment objective, each Enhanced Index Fund will seek to generate a return which outperforms (gross of fees) the return of its Benchmark Index as published by the relevant index provider. However, in both cases, there is no assurance that the index provider will compile the Benchmark Index accurately, or that the Benchmark Index will be determined, composed or calculated accurately. While the index provider does provide descriptions of what the Benchmark Index is designed to achieve, the index provider does not provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of the Benchmark Index, and does not guarantee that the Benchmark Index will be in line with the described index methodology.

The Investment Manager's mandate as described in this Prospectus, in respect of each Index Tracking Fund, is to manage it consistently with the relevant Benchmark Index provided to the Investment Manager. Consequently, the Investment Manager does not provide any warranty or guarantee for index provider errors. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, particularly where the indices are less commonly used. The coverage and quality of ESG-related data on issuers and issuances (in particular new issuances) may vary based on asset class, market exposure, sectors or instrument types. Therefore gains, losses or costs associated with index provider errors will be borne by the Index Tracking Funds and their investors. For example, during a period where the Benchmark Index contains incorrect constituents, an Index Tracking Fund tracking such published Benchmark Index would have market exposure to such constituents and would be underexposed to the constituents that should have been included in the Benchmark Index. As such, errors may result in a negative or positive performance impact to the Index Tracking Funds and their investors. Investors should understand that any gains from index provider errors will be kept by the Index Tracking Funds and their investors and any losses resulting from index provider errors will be borne by the Index Tracking Funds and their investors.

Similarly, in respect of each Enhanced Index Fund, the Investment Manager's mandate is to manage it by reference to the relevant Benchmark Index to generate outperformance (gross of fees). Although the Investment Manager will overweight and underweight positions from the relevant Benchmark Index, the Investment Manager is similarly reliant on the Benchmark Index provided to it by the relevant index provider and Enhanced Index Funds and their investors may be similarly exposed to index provider errors and the gains, losses or costs associated with them.

Apart from scheduled rebalances, the index provider may carry out additional ad hoc rebalances to the Benchmark Index in order, for example, to correct an error in the selection of index constituents. Where the Benchmark Index of an Index Tracking Fund or an Enhanced Index Fund is rebalanced and the Index Tracking Fund or the Enhanced Index Fund in turn rebalances its portfolio to bring it in line with its Benchmark Index, any transaction costs (including any capital gains tax and/or transaction taxes) and market exposure arising from such portfolio rebalancing will be borne directly by the Index Tracking Fund or the Enhanced Index Fund (as relevant) and its investors. Unscheduled rebalances to the Benchmark Indices may also expose the Index Tracking Funds to tracking error risk, which is the risk that its returns may not track exactly those of the Benchmark Index. Therefore, errors and additional ad hoc rebalances carried out by the index provider to a Benchmark Index may increase the costs and market exposure risk of the relevant Index Tracking Fund or Enhanced Index Fund.

#### *Index Disruption Risk*

Disruptions to the calculation and publication of the Benchmark Indices ("Index Disruption Events") include, but are not limited to, situations where: the Benchmark Index level is deemed to be inaccurate or does not reflect actual market developments; it is not possible to obtain a price or value of one or several constituents of the Benchmark Index (such as due to their becoming illiquid or having their quotation suspended on a stock exchange); the index provider fails to calculate and publish the Benchmark Index level; the Benchmark Index is temporarily suspended or permanently discontinued by the index provider. Such Index Disruption Events may have an impact on the accuracy and/or availability of the published price of the Benchmark Index and in some instances also the Net Asset Value of the Fund.

#### *Passive Investment Risk*

Funds are not actively managed and may be affected by a general decline in market segments related to their respective Benchmark Indices. The Funds invest in securities included in, or representative of, their respective Benchmark Indices, and the Funds do not attempt to take defensive positions under any market conditions, including declining markets.

#### *Optimising Strategy*

In respect of an Index Tracking Fund, it may not be practical or cost efficient to replicate the Fund's Benchmark Index. Where it is not part of the Funds' investment policy to replicate its Benchmark Index, such Fund may use optimisation techniques to track the performance of their Benchmark Index. Optimisation techniques may include the strategic selection of some (rather than all) of the securities that make up the relevant Fund's Benchmark Index, holding securities in proportions that differ from the proportions of the Fund's Benchmark Index and/or the use of FDIs to track the performance of certain securities that make up the Fund's Benchmark Index. The Investment Manager may also select securities which are not underlying constituents of the relevant Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index. Optimising Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices.

### **3. Risk associated with the Actively Managed Funds and the Enhanced Index Funds**

#### *Selection risk*

Selection risk is the risk that the securities selected by a Fund (whether selected on the basis of a proprietary methodology or

framework or otherwise) will underperform the markets, the relevant indices or the securities selected by other funds with similar investment objectives and investment strategies. The greater the active risk taken by a Fund (i.e. the degree of discretion the Investment Manager has to select investments in deviation from the Fund's Benchmark Index), the greater the selection risk is likely to be. Accordingly, selection risk is likely to be more significant for the Actively Managed Funds, but it is also relevant to the Enhanced Index Funds to the extent the Investment Manager deviates from the Benchmark Indices of those funds.

#### 4. Risk associated with the Enhanced Index Funds

##### *Model risk*

Each Enhanced Index Fund seeks to pursue its investment objective by using proprietary models that incorporate quantitative analysis. Investments selected using these models may perform differently than as forecasted due to the factors incorporated into the models and the weighting of each factor, changes from historical trends, and issues in the construction and implementation of the models (including, but not limited to, software issues and other technological issues). There is no guarantee that BlackRock's use of these models will result in effective investment decisions for the Fund. The information and data used in the models may be supplied by third parties. Inaccurate or incomplete data may limit the effectiveness of the models. In addition, some of the data that BlackRock uses may be historical data, which may not accurately predict future market movement. There is a risk that the models will not be successful in selecting investments or in determining the weighting of investment positions that will enable the Fund to achieve its investment objective.

#### 5. Investment Policy risks

##### *Equity risks*

The values of equities fluctuate daily and a Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

##### *Fixed Income risks - General risks*

Fixed income securities are subject to both actual and perceived measures of creditworthiness. The "downgrading" of a rated fixed income security or its issuer or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market. In certain market environments this may lead to investments in such securities becoming less liquid, making it difficult to dispose of them.

A Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect a Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities.

An economic recession may adversely affect an issuer's financial condition and the market value of high yield fixed income securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Fund may experience losses and incur costs.

##### *Fixed Income risks - Risks of Investment in High Yield Fixed Income Securities*

Non-investment grade or unrated fixed income securities, also known as "high-yield" fixed income securities, may carry a greater risk of default than higher rated fixed income securities. In addition, non-investment grade securities tend to be less liquid and more volatile than higher rated securities, so that adverse economic events may have a greater impact on the prices of non-investment grade securities than on higher rated securities. Such securities are also subject to greater risk of loss of principal and interest than higher rated fixed-income securities. Further, an issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, for example, an economic recession may adversely affect an issuer's financial condition and the market value of high yield fixed income securities issued by such entity.

##### *Fixed Income risks - Sovereign Debt*

Sovereign debt refers to debt obligations (including fixed income securities) issued or guaranteed by governments or their agencies and instrumentalities (each a "governmental entity"). Investments in sovereign debt may involve a degree of risk. The governmental entity that controls the repayment of sovereign debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt service burden to the economy as a whole, the governmental entity's policy towards the international monetary bodies, any constraints placed on it by inclusion in a common monetary policy, or any other constraints to which a governmental entity might be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and

other foreign entities to reduce principal and interest arrears on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign debt. Holders of sovereign debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. Sovereign debt holders may also be affected by additional constraints relating to sovereign issuers which may include (i) the restructuring of such debt (including the reduction of outstanding principal and interest and or rescheduling of repayment terms) without the consent of the impacted Fund(s) (e.g. pursuant to legislative actions unilaterally taken by the sovereign issuer and/or decisions made by a qualified majority of the lenders); and (ii) the limited legal recourses available against the sovereign issuer in case of failure of or delay in repayment (for example there may be no bankruptcy proceedings available by which sovereign debt on which a government entity has defaulted may be recovered).

#### *Fixed Income risks - Convertible Bonds*

A Fund may invest in convertible bonds, which may include corporate notes or preferred stock but are ordinary long-term debt obligations of the issuer convertible at a stated exchange rate into common stock of the issuer. As with all debt securities, the market value of convertible bonds tends to decline as interest rates increase and, conversely, to increase as interest rates decline. Convertible bonds generally offer lower interest or dividend yields than non-convertible securities of similar quality. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the price of the convertible security tends to reflect the value of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis, and thus may not depreciate to the same extent as the underlying common stock. Convertible bonds generally rank senior to common stocks in an issuer's capital structure and are consequently of higher quality and entail less risk than the issuer's common stock.

#### *Fixed Income risks - Bank Corporate Bonds "Bail-in" Risk*

Corporate bonds issued by a financial institution in the European Union or the UK may be subject to the risk of a write down or conversion (i.e. "bail-in") by a relevant authority in the jurisdiction in circumstances where the financial institution is unable to meet its financial obligations. This may result in bonds issued by such financial institution being written down (to zero), converted into equity or alternative instrument of ownership, or the terms of the bond may be varied. 'Bail-in' risk refers to the risk of relevant authorities exercising powers to rescue troubled banks by writing down or converting rights of their bondholders in order to absorb losses of, or recapitalise, such banks. Investors should be alerted to the fact that relevant authorities are more likely to use a "bail-in" tool to rescue troubled banks, instead of relying on public financial support as they have in the past as it is now considered that public financial support should only be used as a last resort after having assessed and exploited, to the maximum extent practicable, other resolution tools, including the "bail-in" tool. A bail-in of a financial institution is likely to result in a reduction in value of some or all of its bonds (and possibly other securities) and a Fund holding such securities when a bail-in occurs will also be similarly impacted.

#### ***Risks associated with investment in other collective investment schemes***

To the extent permitted pursuant its investment policy in the relevant Supplement, and subject to the restrictions set out in Appendix B, a Fund may invest in one or more collective investment schemes including schemes managed by the Manager or its affiliates.

A Fund may invest in shares of both open and closed-ended collective investment schemes (Including money market funds and exchange traded funds). Investing in another collective investment scheme exposes a Fund to all the risks of that collective investment scheme.

As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees. These fees would be in addition to the management fees and other expenses which a Fund bears directly in connection with its own operations.

#### ***Risks associated with FDI, other instruments and other investment techniques***

##### *Derivatives: general risks*

In accordance with the investment limits and restrictions set out in Appendix B, each of the Funds may use derivatives to hedge market and currency risk, for the purposes of efficient portfolio management and for investment purposes, as described further in Appendix A.

The use of derivatives may expose Funds to a higher degree of risk. These risks may include credit risk with regard to counterparties with whom the Funds trade, the risk of settlement default, volatility risk, OTC transaction risk, lack of liquidity of the derivatives, market risk, imperfect tracking between the change in value of the derivative and the change in value of the underlying asset that the relevant Fund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when purchasing derivatives, a Fund may be required to secure its obligations to its counterparty. For non-fully funded derivatives, this may involve the placing of initial and/or variation margin assets with the counterparty. For derivatives which require a Fund to place initial margin assets with a counterparty, such assets may not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the Fund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed the value of the relevant Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of a derivative may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the derivative only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under a derivative up to such minimum transfer amount.

Derivative contracts can be highly volatile, and the amount of initial margin is generally small relative to the size of the contract so that transactions may be leveraged in terms of market exposure. A relatively small market movement may have a potentially larger impact on derivatives than on standard bonds or equities. Leveraged derivative positions can therefore increase Fund volatility. Whilst the Funds will not borrow money to leverage they may for example take synthetic short positions through derivatives to adjust their exposure, always within the restrictions provided for in Appendix B of this Prospectus. Certain Funds may enter into long positions executed using derivatives (synthetic long positions) such as futures positions including currency forwards.

Additional risks associated with investing in derivatives may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where a Fund's credit exposure to its counterparty under a derivative contract is not fully collateralised but each Fund will continue to observe the limits set out in Appendix B. The use of derivatives may also expose a Fund to legal risk, which is the risk of loss resulting from changing laws or from the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

Subject to provision for such in the investment objective and policy for each Fund set out in the relevant Supplement, the Funds may use derivatives to facilitate complex investment management techniques. In particular, this may involve (on a non-exhaustive basis):

- ▶ using swap contracts to adjust interest rate risk;
- ▶ using swap contracts to gain exposure to one or more indices for investment purposes;
- ▶ using currency derivatives to buy or sell currency risk;
- ▶ buying and selling options for investment purposes;
- ▶ using futures contracts to gain market exposure;
- ▶ using synthetic short positions to take advantage of any negative investment views; and
- ▶ using synthetic long positions to gain market exposure.

Investors should note the risks associated with the different types of derivative instruments and strategies, as further described below.

Where derivative instruments are used in this manner the overall risk profile of the Fund may be increased. Accordingly, the Manager will employ a risk management process which enables the Manager to accurately measure, monitor and manage the risk of the positions and their contribution to the overall risk profile of the Fund. The Manager uses either the Commitment Approach or VaR to calculate each Fund's global exposure (as disclosed in the relevant Supplement), ensuring each Fund complies with the investment restrictions set out in Appendix B. Details about the Commitment Approach and VaR are included at Appendix A.

For more detail regarding the derivative strategies applied by individual Funds please refer to the individual Fund investment objectives in the relevant Supplement and the latest risk management programme which is available on request from the local Investor Services team.

#### *Repurchase and Reverse Repurchase Agreements*

Under a repurchase agreement a Fund sells a security to a counterparty and simultaneously agrees to repurchase the security back from the counterparty at an agreed price and date. The difference between the sale price and the repurchase price establishes the cost of the transaction. The resale price generally exceeds the purchase price by an amount which reflects an agreed-upon market interest rate for the term of the agreement. In a reverse repurchase agreement the Fund purchases an investment from a counterparty which undertakes to repurchase the security at an agreed resale price on an agreed future date. The Fund therefore bears the risk that if the seller defaults, the Fund might suffer a loss to the extent that proceeds from the sale of the underlying securities together with any other collateral held by the Fund in connection with the relevant agreement may

be less than the repurchase price because of market movements. A Fund cannot sell the securities which are the subject of a reverse repurchase agreement until the term of the agreement has expired or the counterparty has exercised its right to repurchase the securities.

#### *Particular risks of OTC derivative transactions*

In general there is less governmental regulation and supervision of transactions in the OTC markets than organised stock exchanges. Many of the protections afforded to transactions on organised exchanges such as the performance guarantee of an exchange clearing house may not exist for OTC transactions. The risk of counterparty default therefore exists. To mitigate this risk the ICAV will only use preferred counterparties which it believes to be creditworthy and may reduce the exposure incurred in connection with such transactions through the use of letter of credit or collateral. However there can be no guarantee that counterparty will not default or that a Fund will not sustain losses as a result.

The Investment Manager will continuously assess the credit or counterparty risk as well as the potential risk, which is for trading activities, the risk resulting from adverse movements in the level of volatility of market prices and will assess the hedging effectiveness on an ongoing basis. It will define specific internal limits applicable to these kinds of operations and monitor the counterparties accepted for transactions.

In addition to the above the OTC market may be illiquid and it may not always be possible to execute a transaction quickly at an attractive price. From time to time the counterparties with which the ICAV effects the transactions might cease making markets or quoting prices in certain of the instruments. In such instances the ICAV might be unable to enter into a desired transaction in currencies, credit default swaps or total return swaps or enter into an offsetting transaction with respect to an open position which might adversely affect its performance. Further in contrast to exchange traded instruments, forward, spot and option contracts on currencies do not provide the Manager and the Investment Manager with the possibility to offset the ICAV's obligations through an equal and opposite transaction. For this reason entering into forward, spot or options contracts, the ICAV may be required, and must be able to, perform its obligations under the contracts.

#### *Options*

An option is the right (but not the obligation) to buy or sell a particular asset or index at a stated price at some date in the future. In exchange for the rights conferred by the option, the option buyer has to pay the option seller a premium for carrying on the risk that comes with the obligation. The option premium depends on the strike price, volatility of the underlying asset, as well as the time remaining to expiration. Options may be listed or dealt in OTC.

A Fund may enter into option transactions as either the buyer or seller of this right and may combine them to form a particular trading strategy as well as use options for reducing an existing risk.

If the Investment Manager or its delegate is incorrect in its expectation of changes in the market prices or determination of the correlation between the particular assets or indices on which the options are written or purchased and the assets in a Fund's investment portfolio, that Fund may incur losses that it would not otherwise incur.

#### *Credit default swaps, interest rate swaps and total return swaps*

The use of credit default swaps may carry a higher risk than investing in bonds directly. A credit default swap allows the transfer of default risk. This allows investors to effectively buy insurance on a bond they hold (hedging the investment) or buy protection on a bond they do not physically own where the investment view is that the stream of coupon payments required will be less than the payments received due to the decline in credit quality. Conversely, where the investment view is that the payments due to decline in credit quality will be less than the coupon payments, protection will be sold by means of entering into a credit default swap. Accordingly, one party, the protection buyer, makes a stream of payments to the seller of protection, and a payment is due to the buyer in the event that there is a "credit event" (a decline in credit quality, which will be pre-defined in the agreement). If the credit event does not occur the buyer pays all the required premiums and the swap terminates on maturity with no further payments. The risk of the buyer is therefore limited to the value of the premiums paid.

The market for credit default swaps may sometimes be more illiquid than bond markets. A Fund entering into credit default swaps must at all times be able to meet the redemption requests. Credit default swaps are valued on a regular basis according to verifiable and transparent valuation methods reviewed by the Auditors.

Interest rate swaps involve an exchange with another party of respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Total return swaps involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. The Funds may enter into swaps as either the payer or receiver of payments under such swaps.

Where a Fund enters into interest rate or total return swaps on a net basis, the two payment streams are netted out, with

each party receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that a Fund is contractually obliged to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances each Fund's risk of loss consists of the net amount of interest or total return payments that each party is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

The use of credit default swaps, interest rate swaps and total return swaps is a specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the Investment Manager is incorrect in its forecasts of market values, the investment performance of the Fund would be less favourable than it would have been if these investment techniques were not used.

#### *Counterparty Risk*

A Fund will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the relevant Fund. This would include the counterparties to any derivatives, repurchase or reverse repurchase agreement or securities lending agreement that it enters into. Trading in derivatives which have not been collateralised gives rise to direct counterparty exposure. The relevant Fund mitigates much of its credit risk to its derivative counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any derivative is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Funds maintain an active oversight of counterparty exposure and the collateral management process.

#### *Market leverage*

The Funds will not use borrowing to purchase additional investments but may be expected, via derivative positions, to obtain market leverage (gross market exposure, aggregating both long and synthetic short positions, in excess of net asset value). The Investment Manager will seek to make absolute returns from relative value decisions between markets ("this market will do better than that market"), as well as from directional views on the absolute return of markets ("this market is going to go up or down"). The extent of market leverage is likely to depend on the degree of correlation between positions. The higher the degree of correlation, the greater is the likelihood and probable extent of market leverage.

#### *Transfer of collateral*

In order to use derivatives the Funds will enter into arrangements with counterparties which may require the payment of collateral or margin out of a Fund's assets to act as cover to any exposure by the counterparty to the Fund. If the title to any such collateral or margin transferred is transferred to the counterparty, it becomes an asset of such counterparty and may be used by the counterparty as part of its business. Collateral so transferred will not be held in custody by the Depositary for safekeeping, but collateral positions will be overseen and reconciled by the Depositary. Where the collateral is pledged by the Fund to the benefit of the relevant counterparty, then such counterparty may not rehypothecate the assets pledged to it as collateral without the Fund's consent.

#### *Currency Risk – Base Currency*

The Funds may invest in assets denominated in a currency other than the Base Currency of the Funds. Changes in exchange rates between the Base Currency and the currency in which the assets are denominated and changes in exchange rate controls will cause the value of the asset expressed in the Base Currency to fall or rise. The Funds may utilise techniques and instruments including derivatives for hedging purposes to control currency risk. However, it may not be possible or practical to completely mitigate currency risk in respect of a Fund's portfolio or specific assets within the portfolio. Furthermore, unless otherwise stated in the investment policies of the relevant Fund, the Investment Manager is not obliged to seek to reduce currency risk within the Funds. Where currency hedging is not utilised, performance may be strongly influenced by movements in exchange rates as currency positions may not correspond with the securities positions held.

#### **Securities Lending Risk**

The ICAV engages in a securities lending programme through the Investment Manager. Securities are lent to borrowers on a title transfer basis, so borrowers are required to return to the relevant Fund securities that are equivalent to those lent, rather than the original securities. When securities are lent to a borrower, there is a risk that the borrower may default on their obligation to return equivalent securities. In order to mitigate this credit risk, the lending of a Fund's securities must be covered by high-quality and liquid collateral received by the Fund under a title transfer arrangement, and such collateral must maintain a market value at all times at least equivalent to the market value of the Fund's securities lent plus a premium.

The market value of securities lent and collateral received can, however, fluctuate over time. As such, credit risk can arise during the life of a loan (for example, where the market value of the collateral falls below the value of the securities lent). A default by the borrower in such circumstances may result in a reduction in the value of the Fund. To mitigate these risks, the ICAV benefits from a collateral shortfall indemnity provided by BlackRock, whereby the Fund is reimbursed by BlackRock if the value of the collateral received from the borrower does not cover the value of the securities lent by the Fund.

Securities lending involves exposure to certain other risks, including operational risk (such as the risk of losses resulting from problems in the settlement and accounting process), currency risk (such as the risk that in the event of a default by the borrower there may be a shortfall when collateral received by the Fund is denominated in a currency other than the base currency of the Fund due to movements in foreign exchange rates), legal risk (such as the risk that a court declares a contract unenforceable), taxation risk (such as the risk of changes to the status of issuers under applicable laws and regulations, including tax regulations, that may impact the regulatory or tax treatment of loaned securities and could, for example, result in a delay in the payment of dividend equivalent payments owed to a Fund as permitted by applicable law), and market risk (such as the risk that market events, including but not limited to corporate actions, could lead the Fund to lend securities that are trading at a premium due to increased demand, or to recall loaned securities or to lend less or not at all, which could lead to reduced securities lending revenue). In the context of market risk, if a Fund were to lend out securities that are subject to a corporate action and commit to the borrower a particular election as determined by the Investment Manager, the benefit the Fund would receive in respect of committing to such election may or may not be less than the benefit the Fund would have received from making a different election in such corporate action. Investors should also note that a limitation of maximum securities lending levels by a Fund, at a time when demand exceeds those maximum levels, may reduce potential income to a Fund that is attributable to securities lending. Please refer to “Efficient Portfolio Management” for further detail.

There are potential conflicts of interest in managing the securities lending program, including but not limited to: (i) The Investment Manager as securities lending agent may have an incentive to, among other things, increase or decrease the amount of securities on loan, lend particular securities, or accept and/or preference affiliated products as collateral in order to generate additional risk-adjusted fees and/or other potential benefits for the Investment Manager and/or its affiliates; (ii) The Investment Manager as securities lending agent may have an incentive to allocate loans to clients that would provide more revenue to BlackRock; and (iii) an indemnity is offered to certain clients, including the ICAV, for any collateral shortfall in the event of a borrower’s default, so the Investment Manager as securities lending agent may have an incentive to mitigate the possible risk of BlackRock incurring losses under the indemnity by preferencing un-indemnified clients over indemnified clients. BlackRock seeks to mitigate this conflict by providing its securities lending clients with equal lending opportunities over time in order to approximate pro rata allocation.

## **Geographical Risks**

### *Emerging Markets/Frontier Markets*

Each Fund may invest in emerging markets, including smaller emerging and frontier markets and some of these investments may be made through other CIS where permitted in accordance with the restrictions described for a Fund in the relevant Supplement. Such Funds’ investments may include investments in certain smaller emerging and frontier markets, which are typically those of poorer or less developed countries which exhibit lower levels of economic and/or capital market development, and higher levels of share price and currency volatility. The prospects for economic growth in a number of these markets are considerable and investment returns have the potential to exceed those in mature markets as growth is achieved. However, share price and currency volatility are generally higher in emerging and frontier markets.

Some governments exercise substantial influence over the private economic sector and the political and social uncertainties that exist for many developing countries are particularly significant. Another risk common to most such countries is that the economy is heavily export oriented and, accordingly, is dependent upon international trade. The existence of overburdened infrastructures and obsolete financial systems also presents risks in certain countries, as do environmental problems which may be exacerbated by climate change.

Certain economies also depend to a significant degree upon exports of primary commodities and, therefore, are vulnerable to changes in commodity prices which, in turn, may be affected by a variety of factors.

In adverse social and political circumstances, governments have been involved in policies of expropriation, confiscatory taxation, nationalisation, intervention in the securities market and trade settlement, and imposition of foreign investment restrictions and exchange controls, and these could be repeated in the future. In addition to withholding taxes on investment income, some emerging and frontier markets may impose different capital gains taxes on foreign investors.

Generally accepted accounting, auditing and financial reporting practices in emerging and frontier markets may be significantly different from those in developed markets. Compared to mature markets, some emerging and frontier markets may have a low level of regulation, enforcement of regulations and monitoring of investors' activities. Those activities may include practices such as trading on material non-public information by certain categories of investor.

The securities markets of developing countries are not as large as the more established securities markets and have substantially less trading volume, resulting in a lack of liquidity and high price volatility. There may be a high concentration of market capitalisation and trading volume in a small number of issuers representing a limited number of industries as well as a high concentration of investors and financial intermediaries. These factors may adversely affect the timing and pricing of a Fund's acquisition or disposal of securities.

Practices in relation to settlement of securities transactions in emerging and frontier markets involve higher risks than those in developed markets, in part because a Fund will need to use brokers and counterparties which are less well capitalised, and custody and registration of assets in some countries may be unreliable.

Delays in settlement could result in investment opportunities being missed if a Fund is unable to acquire or dispose of a security.

In certain emerging and frontier markets, registrars are not subject to effective government supervision nor are they always independent from issuers. The possibility of fraud, negligence, undue influence being exerted by the issuer or refusal to recognise ownership exists, which, along with other factors, could result in the registration of a shareholding being completely lost. Investors should therefore be aware that the Funds concerned could suffer loss arising from these registration problems, and as a result of archaic legal systems a Fund may be unable to make a successful claim for compensation.

While the factors described above may result in a generally higher level of risk with respect to the individual smaller emerging and frontier markets, these may be reduced when there is a low correlation between the activities of those markets and/or by the diversification of investments within the relevant Funds.

#### *Restrictions on Foreign Investment*

Some countries prohibit or impose substantial restrictions on investments by foreign entities such as a Fund. As illustrations, certain countries require governmental approval prior to investments by foreign persons, or limit the amount of investment by foreign persons in a particular company, or limit the investment by foreign persons in a company to only a specific class of securities which may have less advantageous terms than securities of the company available for purchase by nationals. Certain countries may restrict investment opportunities in issuers or industries deemed important to national interests. The manner in which foreign investors may invest in companies in certain countries, as well as limitations on such investments, may have an adverse impact on the operations of a Fund. For example, a Fund may be required in certain of such countries to invest initially through a local broker or other entity and then have the share purchases re-registered in the name of the Fund. Re-registration may in some instances not be able to occur on a timely basis, resulting in a delay during which a Fund may be denied certain of its rights as an investor, including rights as to dividends or to be made aware of certain corporate actions. There also may be instances where a Fund places a purchase order but is subsequently informed, at the time of re-registration, that the permissible allocation to foreign investors has been filled, depriving the Fund of the ability to make its desired investment at the time. Substantial limitations may exist in certain countries with respect to a Fund's ability to repatriate investment income, capital or the proceeds of sales of securities by foreign investors. A Fund could be adversely affected by delays in, or a refusal to grant any required governmental approval for repatriation of capital, as well as by the application to the Fund of any restriction on investments. A number of countries have authorised the formation of closed-end investment companies to facilitate indirect foreign investment in their capital markets. Shares of certain closed-end investment companies may at times be acquired only at market prices representing premiums to their net asset values. If a Fund acquires shares in closed-end investment companies, shareholders would bear both their proportionate share of expenses in the Fund (including management fees) and, indirectly, the expenses of such closed end investment companies. In addition, certain countries such as India and the PRC implement quota restrictions on foreign ownership of certain onshore investments. These investments may at times be acquired only at market prices representing premiums to their net asset values and such premiums may ultimately be borne by the relevant Fund. A Fund may also seek, at its own cost, to create its own investment entities under the laws of certain countries.

#### *Brazil*

On 14 September 2016, the Brazilian tax authorities issued Normative Instruction 1658/16 amending the list of countries considered to be 'low tax jurisdictions' to include Curacao, Saint Martin and Ireland and exclude the Netherlands Antilles and Saint Kitts and Nevis. The changes were effective from 1 October 2016 onwards. As a consequence, Brazilian capital gains tax and increased income withholding tax rates on interest on capital distributions apply to Brazilian securities.

#### *Exposures to Russian investments and the Russian invasion of Ukraine*

Following Russia's invasion of Ukraine in February 2022, significant sanctions against Russia were instituted by the United States, the United Kingdom, and the European Union, along with the regulatory bodies in a number of countries, including Japan, Australia, and Canada. These include prohibitions on transacting or dealing in new investments in the Russian Federation. Retaliatory measures have been taken by Russia, including the freezing of certain Russian assets and trading restrictions on non-Russian investors.

While Benchmark Index providers subsequently removed Russian securities from the Benchmark Indices, certain Funds continue to hold exposures to Russian securities which cannot be divested at this time.

Compliance with applicable sanctions, laws and regulations will impair the ability of a Fund to buy, sell, hold, receive or deliver securities of such issuers or securities subject to, or otherwise affected by, sanctions (Russian securities). While a Fund may be legally permitted to divest or transfer certain Russian securities if and to the extent authorised by a general license, issued by a recognised sanctions authority, other restrictions and/or impaired trading conditions may mean that it remains impracticable or impossible for a Fund to do so.

Where a Fund is unable to eliminate or reduce its holdings of the affected securities, for example, where compliance with sanctions impairs its ability to sell or deliver such securities, the Fund will continue to hold such securities in its portfolio and will retain residual exposure to the Russian securities until it can trade out of them.

It is anticipated that, even as the local Russian market reopens for Russian investors, sanctions against Russian entities and individuals, trading restrictions on non-Russian investors, and/or restrictions on currency conversion and/or repatriation may continue for some time. The absence of normal market trading conditions and the removal of such Russian securities from the Benchmark Indices at zero value means that such investments held by the Funds are currently fair valued to almost zero.

As and when non-local investors are allowed to trade and settle in the Russian stock market and in compliance with applicable law and regulations, including relevant sanctions laws, and under appropriate market conditions, the Investment Manager will seek to implement an orderly and managed disposal of Russian securities, taking into consideration multiple factors including, but not limited to, liquidity, spreads, international investor access, volume and volatility. Due to political and market uncertainties and the fact that it is not possible to predict the optimal time for selling the Russian securities or whether certain securities can be sold at all, there is no guarantee that optimal value, or any value at all, can be achieved. An assessment will be made on the basis of information available to the Investment Manager at the relevant time.

Additionally, where the objective of the Fund is to track the relevant Benchmark Index, with an aim of minimising tracking error by the rebalancing of the Fund's portfolio to align with the constituents of its Benchmark Index. The Russian securities have now been removed from the Funds' Benchmark Indices. Consequently, as and when the Russian securities held by the Funds come to be valued at more than zero, this may result in increased tracking error risk and potentially significant tracking error between a Fund's performance and the performance of its Benchmark Index. Further, due to liquidity constraints, Russian securities may become ineligible assets for the Funds. These factors mean that the Funds may be required to dispose of these assets as soon as possible once they can be sold and it may therefore be necessary to dispose of the assets at a lower value than that at which they might otherwise be realised.

A Fund also may not be able to pay out redemption proceeds in respect of the assets which are frozen or may need to liquidate non-restricted assets in order to satisfy redemption orders. The liquidation of a Fund's assets during this time, where practicable, may also result in a Fund receiving substantially lower prices for its securities.

The Directors may (at their discretion) take such action as they consider to be in the interests of investors in Funds, including (if necessary) suspending trading in the Funds (see the section entitled "Temporary Suspensions" for more details) and/or taking such action as described in the section entitled "Change of a Fund's Benchmark Index".

Additional risks related to the holding of Russian securities:

- The laws relating to securities investments and regulations in Russia do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application.
- Rules regulating corporate governance either do not exist or are underdeveloped and offer little protection to minority shareholders.
- There are also counterparty risks in connection with the maintenance of portfolio securities and cash with local sub-custodians and securities depositories in Russia.

These factors may increase the volatility of any such Fund (depending on its degree of investment in Russia) and hence the

risk of loss to the value of your investment.

#### *India*

For Funds that invest in or are exposed to investment in India, potential investors should also consider the following risk warnings which are specific to investing in or exposure to India:

- India is located in a part of the world that has historically been prone to natural disasters such as earthquakes, volcanoes and tsunamis and India is economically sensitive to environmental events. In addition, the agricultural sector is an important component of the Indian economy and adverse weather may have a significant negative effect on the Indian economy.
- India has experienced a process of privatisation of certain entities and industries. If the newly privatised companies are unable to adjust quickly to a competitive environment or to changing regulatory and legal standards, investors in such newly privatised entities could suffer losses and this could adversely affect the performance of the Indian market.
- The Indian economy is dependent on commodity prices and the economies of Asia, mainly Japan and China, and the United States as key trading partners. Reduction in spending on Indian products and services by any of these trading partners or a slowdown or recession in any of these economies could adversely affect the Indian economy.
- India has experienced acts of terrorism and has strained international relations with Pakistan, Bangladesh, China, Sri Lanka and other neighbours due to territorial disputes, historical animosities, terrorism and other defence concerns. These situations may cause uncertainty in the Indian market and may adversely affect performance of the Indian economy.
- Disparities of wealth, the pace of economic liberalisation and ethnic, religious and racial disaffection may lead to social turmoil, violence and labour unrest in India. In addition, India continues to experience religious and border disputes as well as separatist movements in certain Indian states. Unanticipated political or social developments may result in investment losses.
- The Indian government has experienced chronic structural public sector deficits. High amounts of debt and public spending may stifle Indian economic growth, cause prolonged periods of recession or lower India's sovereign debt rating.
- Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD (Organisation for Economic Co-operation and Development) countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that a Fund experiences difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which such a Fund has directly or indirectly invested. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries.
- Indian capital gains tax applies to Indian securities. To the extent any capital gains tax is incurred in respect of portfolio transactions in Indian securities by a relevant Fund, such capital gains tax will be borne by such Fund.

#### *Licensing in India*

In order to invest physically in Indian securities, a Fund is required to be registered as a Foreign Portfolio Investor ("FPI") under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations 2014. In order to be registered as a FPI, each Fund is required to demonstrate that it satisfies the following broad based criteria: (i) the Fund must have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles; (ii) no investor shall hold over 49% of the Shares or value of the Fund; and (iii) no underlying beneficial owner shall hold over 25% of the Shares or value of the Fund. Institutional investors who hold over 49% of the Shares or value of the Fund must themselves comply with broad based criteria. Underlying beneficial owners who hold over 25% of the Shares or value of the Fund are required to provide their consent to the FPI registration, and to that end have their client information disclosed to the relevant depository participant and Securities and Exchange Board of India. This criteria has been highlighted to investors. To the extent that investors in a Fund which invests physically in Indian securities under a FPI licence, do not meet the above criteria or disclosure requirement, the Fund may lose its FPI licence and may no longer be able to invest physically in Indian securities.

#### *Risks of investing in the China Interbank Bond Market*

The following risks apply to a Fund which, pursuant to its investment objective and investment policy as set out in the relevant Supplement, may invest in Chinese fixed income securities. Such a Fund may invest in the China Interbank Bond Market via the Foreign Access Regime and/or Bond Connect.

- *Investment in China Interbank Bond Market via Foreign Access Regime*

Pursuant to the "Announcement (2016) No 3" issued by the People's Bank of China ("PBOC") on 24 February 2016, foreign institutional investors can invest in the China Interbank Bond Market ("Foreign Access Regime") subject to other rules and regulations as promulgated by the PRC authorities.

Under the prevailing regulations in the PRC, foreign institutional investors who wish to invest directly in the China Interbank Bond Market may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation.

- *Investment in the China Interbank Bond Market via Northbound Trading Link under Bond Connect*

Bond Connect is a new initiative launched in July 2017 for mutual bond market access between Hong Kong and the PRC established by the China Foreign Exchange Trade System (“CFETS”), China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, Hong Kong Exchanges and Clearing Limited (“HKEX”) and Central Moneymarkets Unit.

Under the prevailing regulations in the PRC, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect (“Northbound Trading Link”). There will be no investment quota for Northbound Trading Link.

Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.

The Northbound Trading Link refers to the trading platform that is located outside of the PRC and is connected to CFETS for eligible foreign investors to submit their trade requests for bonds circulated in the China Interbank Bond Market through Bond Connect. HKEX and CFETS will work together with offshore electronic bond trading platforms to provide electronic trading services and platforms to allow direct trading between eligible foreign investors and approved onshore dealer(s) in the PRC through CFETS.

Eligible foreign investors may submit trade requests for bonds circulated in the China Interbank Bond Market through the Northbound Trading Link provided by offshore electronic bond trading platforms (such as Tradeweb and Bloomberg), which will in turn transmit their requests for quotation to CFETS. CFETS will send the requests for quotation to a number of approved onshore dealer(s) (including market makers and others engaged in the market making business) in the PRC. The approved onshore dealer(s) will respond to the requests for quotation via CFETS and CFETS will send their responses to those eligible foreign investors through the same offshore electronic bond trading platforms. Once the eligible foreign investor accepts the quotation, the trade is concluded on CFETS.

On the other hand, the settlement and custody of bond securities traded in the China Interbank Bond Market under Bond Connect will be done through the settlement and custody link between the Central Moneymarkets Unit, as an offshore custody agent, and the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House, as onshore custodian and clearing institutions in the PRC. Under the settlement link, China Central Depository & Clearing Co., Ltd or Shanghai Clearing House will effect gross settlement of confirmed trades onshore and the Central Moneymarkets Unit will process bond settlement instructions from Central Moneymarkets Unit members on behalf of eligible foreign investors in accordance with its relevant rules. Since the introduction in August 2018 of delivery versus payment (DVP) settlement in respect of Bond Connect, the movement of cash and securities is carried out simultaneously on a real time basis.

Pursuant to the prevailing regulations in the PRC, the Central Moneymarkets Unit, being the offshore custody agent recognised by the Hong Kong Monetary Authority opens omnibus nominee accounts with the onshore custody agent recognised by the PBOC (i.e., the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner. Therefore, a Fund will be exposed to custody risks with respect to Central Moneymarkets Unit. In addition, as the relevant filings, registration with the PBOC, and account opening have to be carried out by third parties, including Central Moneymarkets Unit, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and CFETS, a Fund is subject to the risks of default or errors on the part of such third parties.

The precise nature and rights of a Fund as the beneficial owner of the bonds traded in the China Interbank Bond Market through Central Moneymarkets Unit as nominee is not well-defined under PRC law. There is a lack of a clear definition of, and distinction between, legal ownership and beneficial ownership under PRC law and there have been few cases involving a nominee account structure in the PRC courts. The exact nature and methods of enforcement of the rights and interests of a Fund under PRC law are also uncertain.

### ***Other Investment Policy Related Risks***

#### *Smaller Capitalisation Companies*

The securities of smaller companies may be subject to more abrupt or erratic market movements than larger, more established companies or the market average in general. These companies may have limited product lines, markets or financial resources, or they may be dependent on a limited management group. Full development of those companies takes time. In addition, many

small company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small companies may also be more sensitive to market changes than the securities of large companies. These factors may result in above-average fluctuations in the Net Asset Value of a Fund.

### *ESG Policy*

#### *ESG Benchmark Index screening*

An Index Tracking Fund may seek to track the performance of a Benchmark Index that is stated by the index provider to be screened against ESG criteria and to exclude certain issuers involved in, or deriving revenues (above a threshold specified by the index provider) from, certain business activities, or to weight issuers within the Benchmark Index to optimise ESG scores, at each index rebalance. Investors should therefore be comfortable and satisfied with the extent of ESG-related screening undertaken by the Benchmark Index prior to investing in the Fund.

Investor sentiment towards issuers which are perceived as being ESG conscious or attitudes towards ESG concepts generally may change over time which may affect the demand for ESG based investments and may also affect their performance.

Due to the ESG criteria being applied to the relevant Parent Index / investment universe in order to determine eligibility for inclusion in the relevant Benchmark Index, the Benchmark Index will comprise a narrower universe of securities compared to the Parent Index / investment universe and securities of the Benchmark Index are also likely to have different GICS sector weightings and factor weightings compared to the Parent Index / investment universe. Where the Benchmark Index targets a similar risk profile to the Parent Index / investment universe, the Benchmark Index is nevertheless likely to have a different performance profile to the Parent Index / investment universe, due to the narrower universe of securities of the Benchmark Index. This narrower universe of securities may not necessarily perform as well as those securities that do not meet the ESG screening criteria, which may adversely affect the performance of a Fund relative to another collective investment scheme which tracks the Parent Index / investment universe.

Screening of a Benchmark Index against its ESG criteria is generally carried out by an index provider only at index rebalances, although certain indices may be screened by the index provider for UNGC violators during periodic reviews in between index rebalances. Companies which have previously met the screening criteria of a Benchmark Index, and have therefore been included in the Benchmark Index and the Fund, may unexpectedly or suddenly be impacted by an event of serious controversy which negatively impacts their price and, hence, the performance of the Fund. Where these companies are existing constituents of the Benchmark Index, they will remain in the Benchmark Index and therefore continue to be held by the Fund until the next scheduled rebalancing (or periodic review) when the relevant company ceases to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position. A Fund tracking such Benchmark Index may therefore cease to meet the ESG criteria between index rebalances until the Benchmark Index is rebalanced back in line with its index criteria, at which point the Fund will also be rebalanced in line with its Benchmark Index. At the time that the Benchmark Index excludes the affected securities, the price of the securities (in particular securities of companies impacted by an event of serious controversy) may have already dropped and not yet recovered, and the Fund could therefore be selling the affected securities at a relatively low price point.

Screening of issuers for inclusion within the Benchmark Index of a Fund is carried out by the index provider based on the ESG ratings and / or screening criteria of the index provider or other third parties. This may be dependent upon information and data obtained from third-party data providers which may on occasion be incomplete, inaccurate or inconsistent. There may also be a time lag between the date as at which the data is captured and the date on which the data is used, which may impact the timeliness and quality of the data. The Fund, the Manager and the Investment Manager do not make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of the index providers' or data providers', information, ESG ratings, screening criteria or the way they are implemented. In the event that the status of a security previously deemed eligible for inclusion in the Benchmark Index should change, the Fund, the Manager and the Investment Manager do not accept any liability in relation to such change. For the avoidance of doubt, the Fund, the Manager and the Investment Manager are not responsible for ensuring that the securities that comprise the Benchmark Index of a Fund will meet the screening criteria applied by the index provider or ensure that the ESG ratings given by the index provider or other third parties to each security are valid. If a Fund's Benchmark Index does not meet the ESG criteria in its index methodology at an index rebalance, it may in turn impact the ability of the Fund to meet its ESG criteria.

The extent to which a Fund is able to meet its sustainability commitments or aims may vary on an ongoing basis due to factors such as market conditions, the ESG performance of underlying investments and the methodology applied by the index provider of the Benchmark Index for the Fund. If a Fund's performance falls below its sustainability commitments, the Investment Manager will take steps to bring the Fund back in compliance with its sustainability commitments on or around the next rebalance of its Benchmark Index.

ESG screens and standards are a developing area and the ESG screens and ratings applied by the index provider may evolve

and change over time.

A Fund may use FDIs and hold collective investment schemes which may not comply with ESG ratings/criteria applied by an index provider. A Fund may gain limited exposure (through, including but not limited to, derivatives and shares or units of other collective investment schemes) to issuers with exposures which may not comply with socially responsible investment (“SRI”) requirements and/or ESG criteria applied by the index provider. There may be potential inconsistencies in the ESG criteria or the ESG ratings applied by the underlying collective investment schemes invested in by a Fund. A Fund may also engage in securities lending and receive collateral which may not comply with the SRI requirements and/or ESG criteria applied by the index provider.

#### *ESG Integration Risk:*

Where the Investment Manager and any sub-investment managers appointed by it in respect of such a Fund take into account ESG characteristics when selecting the Fund’s investments in assessing a security or an issuer based on ESG characteristics, the Investment Manager and any sub-investment managers may be dependent upon information and data from third party ESG research providers, which may be incomplete, inaccurate or unavailable. The Investment Manager may also seek to rely on its own proprietary models which may similarly rely on information which is incomplete, inaccurate or unavailable. As a result, there is a risk that the Investment Manager and any such sub-investment managers may incorrectly assess a security, issuer or index. There is also a risk that the Investment Manager, any sub-investment managers or third party ESG research providers on which the Investment Manager and the sub-investment managers may depend, may not interpret or apply the relevant ESG characteristics correctly. None of any relevant Fund, the ICAV, the Manager, the Investment Manager, any sub-investment manager appointed by the Investment Manager or any of their affiliates makes any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of any such ESG assessment.

Investors should make their own personal assessment of the extent of ESG related screening undertaken by a Fund (including, where relevant, through use of a Benchmark Index) prior to investing. Investor sentiment towards issues perceived as being ESG conscious may change over time, which may affect the demand for a Fund applying ESG criteria and may impact any such Fund’s performance. Investors should refer to the relevant Supplement for further details of ESG characteristics applied in respect of the Funds.

The application of ESG criteria by a Fund may result in such Fund foregoing opportunities to purchase, or otherwise reducing exposure to or underweighting, certain securities when it might otherwise be advantageous to carry out such purchase or maintain its holding of such securities, and/or selling securities due to their ESG characteristics, when to do so might otherwise be disadvantageous. As such, the use of such criteria may affect a Fund’s investment performance and a Fund may perform differently compared to similar funds that do not apply such criteria. If the Investment Manager’s assessment of ESG characteristics of a security changes, guiding the Investment Manager and/or any sub-investment manager to sell a security already held or to buy a security not held, none of the Fund, the ICAV, the Manager, the Investment Manager, any sub-investment manager or their affiliates accept liability in relation to that assessment.

#### *Sustainability Risk*

BlackRock defines sustainability risk as an investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that arises from environmental, social and/or governance issues. In this assessment, BlackRock focuses on the investment risks that are financially material to the Fund. The definition of sustainability risks is not intended to capture the risk that a Fund with sustainable characteristics or objectives fails to meet its sustainable commitments.

As with other investment risks and opportunities, the financial materiality of sustainability risks may vary by issuer, sector, product, mandate, and time horizon. See the BlackRock SFDR Sustainability Risk Statement applicable to the Manager, as required under Article 3 of SFDR, for further information (which is available at: [www.blackrock.com/corporate/sustainability](http://www.blackrock.com/corporate/sustainability)).

The outcome of the sustainability risk assessment outlined below is an assessment at the Fund level with no reference to the benchmark or active objective of the Fund (as the case may be). This is designed to give investors an indication of the total level of sustainability risk they may be exposed to when investing in a particular Fund. It is not intended to represent how sustainability risk is managed within the investment processes, as risk is managed within the objective of the Fund, and typically assessed relative to the benchmark of the Fund. Like other investment risks, the ability to manage sustainability risk depends on the Fund chosen. If an investor chooses a Fund with limited investment discretion - such as an index replicating Fund - the ability to manage or control the sustainability risk present in that Fund will be constrained.

Whilst the impact of sustainability risks may differ from fund to fund, as noted in the Risk Factors above, all Funds may be

subject to some aspects of sustainability risk, given sustainability risk may manifest itself through existing other risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.).

Sustainability risk may be reflected in two ways: 1) a Fund's potential exposure to a sustainability risk event and 2) the potential financial impact to a Fund's performance should such a sustainability risk event or factor occur. In assessing the potential impact of sustainability risk, these aspects are considered against the Fund characteristics as listed below. Exposure and impact are assessed across a 5-year (or less) time horizon as aligned with the investment horizon of the majority of BlackRock funds.

- **Fund Geographical Focus:** The geographic location of underlying investments may impact the extent to which a Fund is exposed to and impacted by a sustainability risk event or factor. Certain conditions in a geographic location such as the local climate, regulatory environment, economic diversification or level of infrastructure may impact the extent to which a Fund is exposed to either the physical impacts of climate change, the risks related to the transition to a lower carbon economy or social and governance risks.
- **Fund Liquidity:** Funds with lower liquidity may be less able to exit positions impacted by sustainability risk and are therefore both more exposed to sustainability risk events and more likely to be financially impacted by a sustainability risk event if it occurs.
- **Fund Sector Allocation:** Certain sectors are likely to be more exposed to the impacts of sustainability risks. As a result, issuers in such sectors may require significant business model transformation or face decreased demand for their goods or services. These effects could be positive or negative depending on company positioning for the future, current economic activities and ability to manage change. Funds with a higher allocation to such sectors, for example, the energy sector, are expected to have higher exposure to sustainability-related risks and also expect a higher impact on financial performance should a sustainability risk event occur. Funds that have lower exposures to these sectors are expected to have lower exposure to sustainability-related risk and are expected to experience a lower impact on financial performance should a sustainability risk event occur.
- **Product design:** Funds with explicit aims to consider environmental or social characteristics, or with explicit sustainability objectives, adopt investment strategies which drive greater exposure to sustainability related themes and therefore have a higher exposure to a sustainability risk event. As these Funds have greater exposure to sustainability related themes, they can expect a higher financial performance impact should a sustainability risk event occur.

BlackRock classifies each of the above factors and aggregates the factor assessments to a fund-by-fund overall classification of material or not material.

## 7. FEES AND EXPENSES

### Establishment Expenses

All fees and expenses relating to the establishment of the ICAV and the fees of the advisers to the ICAV in relation thereto (including any applicable VAT thereon) will be borne by the Funds and amortised over the first five financial years of the Funds or such other period as the Manager may determine. All fees and expenses relating to the establishment of any new Share Class or Fund will be borne by the relevant Share Class or Fund and amortised over the first five financial years of the relevant Share Class or the relevant Fund or such other period as the Manager may determine, commencing six months after the date of the first issue of Shares in the Fund or such other period as the Manager may determine. The fees and expenses relating to the establishment of the Funds are set out in the relevant Supplement.

### Subscription and Redemption Fees

Save for any redemption fee charged to an investor in connection with the Manager's Excessive Trading Policy (see the subsection entitled "Excessive Trading Policy"), no subscription or redemption fees will be charged.

### Fees of the Manager and Service Providers

#### *Manager's Fees*

The Manager is entitled to charge a fee calculated as a percentage per annum of the Net Asset Value of each Fund or the relevant Share Class as set out in the relevant Supplement.

The expenses of the Manager shall be included in the Management Fee. The Manager will be responsible for discharging, from this fee, all fees (including reasonable out of pocket expenses) of the Investment Manager. The Investment Manager will, in turn, be responsible for discharging the fees of any sub-investment manager that it appoints in respect of any Fund. Different Management Fees may be charged to different Share Classes of the same Fund and accordingly the Management Fees payable in respect of a particular Share Class may be higher or lower than the fees charged to other Share Classes.

#### *Depositary and Custody Fees*

The Depositary is entitled to charge a fee of up to 0.005% per annum of the Net Asset Value of the Fund to be paid out of the property of the Fund.

The Depositary is entitled to increase such fee in respect of certain Share Classes. Shareholders will be notified in writing in advance of any proposed increase of such fees.

The Depositary is also entitled to receive payment out of the property of the ICAV and any relevant Fund for custody services consisting of:

- a fixed fee for each transaction of between €1.50 to €76 depending on the type, size and geographical location of the assets held by the Depositary ("Custody Transaction Fees");
- and a variable safekeeping charge of between 0.0006% to 0.36% depending on the size and geographical location of the assets held by the Depositary ("Custody Safekeeping Fees"),

(Custody Transaction Fees and Custody Safekeeping Fees together being the "Custody Fees").

The Custody Fees vary from country to country depending on the markets and the type of transaction involved. Transaction charges accrue at the time the transactions are effected and are payable as soon as is reasonably practicable, and in any event not later than the last Business Day of the month when such charges arose or as otherwise agreed between the Depositary and the Manager. Custody Fees accrue and are payable as agreed from time to time by the Manager and the Depositary. Where a Fund invests in the units or shares of a UCITS and/or another collective investment scheme that is managed by the Manager or by an Interested Party, the Manager will endeavour to negotiate (but does not guarantee) a reduction in any Custody Fees applicable to such investment.

Where relevant, the Depositary may make a charge for its services in relation to: distributions, the provision of banking services, holding money on deposit, lending money, or engaging in derivative transactions, in relation to a Fund and may purchase or sell or deal in the purchase or sale of scheme property, provided always that the services concerned and any such dealing are in accordance with the provisions of the UCITS Regulations.

The Depositary will also be entitled to payment and reimbursement of all costs, liabilities and expenses properly incurred in the performance of, or arranging the performance of, functions conferred on it by the Depositary Agreement, the UCITS Regulations or by the general law.

On a winding up of a Fund, the Depositary will be entitled to its pro rata fees, charges and expenses to the date of winding up, the termination, or the redemption (as appropriate) and any additional expenses necessarily realised in settling or receiving any outstanding obligations.

Any value added tax on any fees, charges or expenses payable to the Depositary will be added to such fees, charges or expenses.

In each such case such payments, expenses and disbursements may be payable to any person (including the Manager or any associate or nominee of the Depositary or of the Manager) who has had the relevant duty delegated to it pursuant to the UCITS Regulations by the Depositary.

The fees of the Depositary (together with any applicable VAT thereon) will be accrued on a daily basis and will be paid monthly in arrears.

#### *Administrator's Fees*

The Administrator is entitled to charge a fee of up to 0.009% per annum of the Net Asset Value of the Fund to be paid out of the property of the Fund.

The Administrator is entitled to increase such fee in respect of certain Share Classes. Shareholders will be notified in writing in advance of any proposed increase of such fees. In addition, the Administrator is entitled to receive per account based structural charges.

The fees of the Administrator (together with any applicable VAT thereon) will be accrued on a daily basis and will be paid monthly in arrears.

#### **Fees in Underlying CIS**

The Funds may, subject to the conditions set out in Appendix B and where permitted pursuant to its investment policy as set out in the relevant Supplement invest in other CIS, which may be operated and/or managed by a member of the BlackRock Group including, but not limited to, funds of Institutional Cash Series plc. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a Shareholder in the Funds, each Shareholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and, administration and other expenses.

#### **Paying Agents and Local Intermediaries**

Local regulations may, from time to time, require the appointment of paying agents and/or other local agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. Such local intermediaries shall be appointed in accordance with the requirements of the Central Bank.

The fees of any such intermediate entity will be at normal commercial rates and will be borne by the Shareholders who will avail of the services provided by such agent.

Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via such an intermediary entity rather than directly to or from the Depositary (e.g. a sub-distributor or agent in the local jurisdiction) will bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary and (b) redemption monies payable by such intermediate entity to the relevant investor.

#### **Securities Lending Fee**

Each Fund may enter into securities lending agreements for the purposes of efficient portfolio management subject to the conditions and limits set out in the Central Bank UCITS Regulations and in accordance with the requirements of the Central Bank.

All revenues from efficient portfolio management techniques will be returned to the relevant Fund, net of direct and indirect operational costs and fees (which do not include hidden revenue).

The maximum proportion of the Net Asset Value of each Fund that can be subject to securities lending is set out in the relevant Supplement.

BlackRock Advisors (UK) Limited has been appointed by the Manager as the securities lending agent of the Funds under the terms of a securities lending management agreement. Under the terms of such an agreement, the securities lending agent is appointed to manage the relevant Fund's securities lending activities and is entitled to receive a fee out of the income generated from securities lending. The fee of the securities lending agent represents direct costs (and if relevant indirect

operational costs/fees) of the Fund's securities lending activities. All revenue generated from securities lending activities net of the securities lending agent's fee will be returned to the Fund. If there is securities lending revenue generated, the securities lending agent will receive a fee of 37.5% of such securities lending revenue and will pay any third party operational and administrative costs associated with, and incurred in respect of, such activity, out of its fee. To the extent that the securities lending costs payable to third parties exceed the fee received by the securities lending agent, the securities lending agent will discharge any excess amounts out of its own assets. Full financial details of the amounts earned and expenses incurred with respect to securities lending for the Fund, including fees paid or payable, will also be included in the annual and semi-annual financial statements. The securities lending arrangements and associated costs will be reviewed at least annually.

### External research

Any external research received by the Investment Manager in connection with investment services that the Investment Manager provides to the Funds will be paid for by the Investment Manager out of its own resources. Where a Sub-Investment Manager is appointed to a Fund, the Investment Manager will take reasonable steps to ensure that the costs of any external research received by the Sub-Investment Manager in respect of its investment services to the Fund are not borne by the Fund. Sub-Investment Managers may aggregate the trades of the Fund with those of their other client accounts that do bear external research costs, and such aggregation may result in the Fund being subject to higher execution costs when compared to other client accounts within the aggregated trading block. When this is the case, the Sub-Investment Managers remain responsible to ensure that the Fund is not charged for the external research, they act in the best interest of the Fund, and take all reasonable steps to obtain best execution in consideration of all relevant execution factors.

### Operating Expenses

The ICAV will also pay out of the assets of each Fund all operating expenses of the ICAV and the Funds, including without limitation:

- a) stamp duties;
- b) taxes;
- c) any ESG labelling or licensing fees;
- d) brokerage, government charges, bank charges, foreign exchange commissions and spreads, commissions, interest, transfer fees, registration fees and other fees and expenses of acquiring and disposing of investments for any Funds;
- e) interest on any permitted borrowings and bank and professional charges incurred in negotiating, effecting or varying terms of such borrowings;
- f) fees and expenses of the directors of the Manager (to the extent attributable to the ICAV and the Funds) and of the directors of the ICAV (which ICAV director fees, where charged, are disclosed in the ICAV's annual report) which shall be charged at normal commercial rates;
- g) fees and expenses of the auditors, tax, legal and other professional advisers (including all costs associated with the production of reports and accounts, and the fees and expenses of the secretary to the ICAV for its services (which may, to the extent it is determined by the ICAV that such services shall be performed by a member of the BlackRock Group, include the reasonable fees and expenses of such member for performing such services)), which shall be charged at normal commercial rates;
- h) any index licensing fees;
- i) fees and expenses in connection with the distribution of Shares and costs of registration and/or authorisation of the ICAV and any Fund(s) in any jurisdiction outside of Ireland;
- j) any annual levy or other fees payable to the Central Bank;
- k) any costs incurred as a result of periodic updates required by applicable law or regulation of the Prospectus, Supplements, KIIDs or as a result of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law);
- l) any costs incurred in hedging the foreign currency exposure of a Fund or a Share Class;
- m) any costs incurred in connection with preparing and distributing annual and half-yearly reports and of other reports and notifications to investors;
- n) any necessary printing and translation fees;
- o) in respect of each financial year of the Fund in which expenses are being determined, such proportion (if any) of the establishment and reconstruction expenses as are being amortised in that year;
- p) any costs or fees associated with, or payable to any entity (which may include the Manager, the Investment Manager, any sub-investment manager and their respective affiliates) in connection with any transition activity in relation to any Fund;
- q) any extraordinary or exceptional costs and expenses as may arise from time to time such as material litigation in relation to the ICAV or any Fund; and
- r) any other fees and expenses relating to the management and administration of the ICAV and/or the Funds or attributable to the investments of the Funds.

The above operating expenses will be determined on the last Dealing Day of each month. Such fees will be accrued on a daily

basis and will be paid monthly in arrears.

**Allocation of Fees and Expenses**

All fees and expenses referred to in this section 7 will be charged to the Fund (and Share Class thereof, if appropriate) in respect of which they were incurred or, where an expense is not considered by the Manager to be attributable to any one Fund (or Share Class thereof), the expense will normally be allocated to Share Classes of all Funds pro rata to the Net Asset Value of the relevant Funds. Expenses of a Fund which are directly attributable to a specific Share Class are charged first (if possible) against the income available for distribution to the holders of such Shares. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Manager may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period. This may include jurisdictional capital gains tax that is attributable to a Fund.

## 8. TAXATION

### General

*Prospective investors are urged to consult their own tax advisors in determining the possible tax consequences to them under the law of jurisdictions of which they are citizens, residents or domiciliaries and in which they conduct business. In addition, investors should be aware that tax regulations and legislation and their application and interpretation by the relevant taxation authorities may change from time to time, retroactively as well as prospectively. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time. Other legislation could be enacted that would subject the ICAV or a Fund to additional taxes or subject Shareholders to increased taxes. Any change in the ICAV's or a Fund's tax status or in taxation legislation could affect the value of the investments held by the Fund and affect the Fund's ability to provide the investor returns.*

*The following summary is not a full description or analysis of the complex tax rules and considerations affecting the Shareholders, each Fund, and each Fund's proposed operations and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change. The tax and other matters described in this section 8 do not constitute, and should not be considered as, tax or legal advice to prospective investors.*

Dividends, interest and capital gains (if any) which any of the Funds receive with respect to their investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of Investments are located. It is anticipated that the Fund may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Fund, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

### IRISH TAX INFORMATION

*The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.*

*The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares. It does not constitute tax advice. Legislative, administrative or judicial changes may modify the tax consequences described below and as is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made will endure indefinitely.*

#### Taxation of the ICAV

The ICAV intends to conduct its affairs so that it is Irish tax resident. On the basis that the ICAV is Irish tax resident and that it is validly regulated as a UCITS, the ICAV qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The ICAV will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below.

As a result of changes introduced in Finance Act 2016, a new regime applies to IREFs (i.e. Irish Real Estate Funds) which imposes a 20% withholding tax on 'IREF taxable events'. The changes primarily target non-Irish resident investors. On the basis that the ICAV does not, and will not, hold Irish property assets, these provisions should not be relevant and are not discussed further.

#### Taxation of Non-Irish Shareholders

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the ICAV will not deduct any Irish tax in respect of the Shareholder's Shares once the declaration set out in the Application Form accompanying this Prospectus has been received by the ICAV confirming the Shareholder's non-resident status. The declaration may be provided by an Intermediary who holds Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary's knowledge, the investors are not resident (or ordinarily resident) in Ireland. Here, an "intermediary" means an intermediary within the meaning of Section 739B (1) of the TCA, being a person who (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of

other persons; or (b) holds units in an investment undertaking on behalf of other persons.

If this declaration is not received by the ICAV, the ICAV will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). The ICAV will also deduct Irish tax if the ICAV has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The ICAV must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

### **Taxation of Exempt Irish Shareholders**

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) Taxes Consolidation Act of Ireland ("TCA"), the ICAV will not deduct Irish tax in respect of the Shareholder's Shares once the declaration set out in the Application Form has been received by the ICAV confirming the Shareholder's exempt status and the ICAV is not in possession of any information which would reasonably suggest that the information contained in the declarations is not, or is no longer, materially correct.

The categories listed in section 739D(6) TCA can be summarised as follows:

1. Pension schemes (within the meaning of section 774, section 784 or section 785 TCA).
2. Companies carrying on life assurance business (within the meaning of section 706 TCA).
3. Investment undertakings (within the meaning of section 739B TCA).
4. Investment limited partnerships (within the meaning of section 739J TCA).
5. Special investment schemes (within the meaning of section 737 TCA).
6. Unauthorised Share trust schemes (to which section 731(5)(a) TCA applies).
7. Charities (within the meaning of section 739D(6)(f)(i) TCA).
8. Qualifying managing companies (within the meaning of section 734(1) TCA).
9. Specified companies (within the meaning of section 734(1) TCA).
10. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) TCA).
11. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) TCA).
12. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
13. The National Asset Management Agency.
14. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.
15. Qualifying companies (within the meaning of section 110 TCA).
16. In certain circumstances, a company within the charge to corporation tax in accordance with Section 739G(2) of the TCA in respect of payments made to it by the ICAV.
17. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the ICAV without requiring the ICAV to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the ICAV in respect of a Shareholder, the ICAV will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

### **Taxation of Other Irish Shareholders**

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the ICAV will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

### **Distributions by the ICAV**

If the ICAV pays a distribution to a non-exempt Irish resident Shareholder, the ICAV will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. In all other cases, 38% of the distribution assuming the Finance Bill 2025 is passed in its current form, or, if not, 41% of the distribution.

The ICAV will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

### **Redemptions and transfers of Shares**

If the ICAV redeems Shares held by a non-exempt Irish resident Shareholder, the ICAV will deduct Irish tax from the redemption payment made to the Shareholder.

Similarly if a non-exempt Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the ICAV will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being transferred and will be equal to:

1. 25% of such gain, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. In all other cases, 38% of such gain assuming the Finance Bill 2025 is passed in its current form, or, if not, 41% of such gain.

The ICAV will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability, the ICAV may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in Euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

### *'Eighth Anniversary' Events*

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the ICAV will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. In all other cases, 38% of the increase in value assuming the Finance Bill 2025 is passed in its current form, or, if not, 41% of the increase in value.

The ICAV will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the ICAV may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Fund are held by non-exempt Irish resident Shareholders, the ICAV may elect not to account for Irish tax on this deemed disposal. To claim this election, the ICAV must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and
2. notify any non-exempt Irish resident Shareholders that the Fund is electing to claim this exemption.

If the exemption is claimed by the ICAV, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the ICAV on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

#### *Share Exchanges*

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the ICAV or for Shares in another Fund of the ICAV and no payment is received by the Shareholder, the ICAV will not deduct Irish tax in respect of the exchange.

#### *Stamp Duty*

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution in specie of assets from the Fund, a charge to Irish stamp duty could potentially arise.

#### **Gift and Inheritance Tax**

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares are treated as Irish situate assets because they have been issued by an Irish trust. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the "valuation date" (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

#### **FATCA Withholding**

If a Shareholder causes (directly or indirectly) the ICAV to suffer a FATCA Deduction, or other financial penalty, cost, expense or liability, the ICAV may compulsorily repurchase any Shares or such Shareholder and/or take any action required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically borne by such Shareholder. Each prospective investor is urged to consult its tax adviser regarding the applicability of FATCA.

## UK TAX INFORMATION

### Taxation of the ICAV

The Manager intends to conduct the affairs of the Fund so that it does not become resident in the United Kingdom for taxation purposes. Accordingly, and provided that the Fund does not carry on a trade in the United Kingdom through a permanent establishment situated there, the Fund will not be subject to United Kingdom corporation tax on its income or chargeable gains.

It is unlikely that the activities of the Fund will be regarded as trading activities for the purposes of United Kingdom taxation. In the event that the Fund were considered to be carrying on trading activities in the United Kingdom through the agency of its United Kingdom Investment Manager, the profits from these activities would be subject to United Kingdom tax for which the United Kingdom Investment Manager would be liable to account. However, under Section 835 Income Tax Act 2007, the United Kingdom Investment Manager, as agent of the Fund, will not be liable for United Kingdom taxation provided that the conditions of the Investment Management Exemption ("IME") are met. As far as possible, the Manager of the Fund and the Directors of the Investment Manager intend to conduct the affairs of the Fund and of the Investment Manager so that these conditions are satisfied. If the Fund failed to satisfy the conditions of the IME or if any investments held are not considered to be a "specified transaction", this may lead to tax leakage within the Fund.

In addition to the above, if HMRC successfully argue that a Fund is trading for UK tax purposes, the returns earned by the Fund from its interest in the underlying assets may need to be included in the Fund's calculation of "income" for the purposes of computing the relevant amount to "report" to investors in order to meet the requirements of UK Reporting Fund Status. However, it is considered that the investments held by the Fund should meet the definition of an "investment transaction" as defined by The Offshore Funds (Tax) Regulations 2009 ("the regulations") which came into force on 1 December 2009. Therefore, it is considered that these investments should be considered as "non-trading transactions" as outlined in the regulations. This is on the basis that the Fund meets both the "equivalence condition" and the "genuine diversity of ownership" condition as outlined in the regulations.

### Taxation of UK Investors

#### *Income Tax and Corporation Tax*

Subject to their personal circumstances, holders of Shares resident in the United Kingdom for taxation purposes may be liable to United Kingdom income tax or corporation tax in respect of any dividends or other income distributions of the Fund. In addition, UK Shareholders holding Shares at the end of each 'reporting period' (as defined for United Kingdom tax purposes) will potentially be subject to United Kingdom income tax or corporation tax on their share 'of a Class's 'reported income', to the extent that this amount exceeds distributions received. The terms 'reported income', 'reporting period' and their implications are discussed in further detail below. In addition, where the Fund holds more than 60% of its assets in interest bearing (or similar) form, any distribution will be treated as interest in the hands of the UK individual investor.

#### *Withholding Tax*

There is no withholding by the Fund for Irish tax on dividends payable to United Kingdom investors, provided that the United Kingdom investors are (a) neither Irish Resident nor Irish Ordinary Resident, (b) the investor has made a relevant declaration, (c) the Fund is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct (see previous sub-section headed "Irish Tax Information" for further details), or (d) the Manager has put in place appropriate equivalent measures to ensure that Shareholders in the Fund are neither Irish Resident nor Irish Ordinary Resident and the Fund has received the appropriate approval from the Revenue Commissioners (see previous sub-section headed "Irish Taxation" for further details).

#### *Offshore Funds*

Holdings in the Fund are likely to constitute interests in offshore funds, as defined for the purposes of the United Kingdom Finance Act 2008, with each Class of the Fund treated as a separate 'offshore fund' for these purposes.

Statutory Instrument 2009 / 3001 (The Offshore Funds (Tax) Regulations 2009) provides that if an investor resident in the United Kingdom for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that investor upon the sale or other disposal of that interest will be charged to United Kingdom tax as

income rather than a capital gain. Alternatively, where an investor resident in the United Kingdom holds an interest in an offshore fund that has been a 'reporting fund' for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to United Kingdom income tax or corporation tax on income.

Where an offshore fund may have been a non-reporting fund for part of the time during which the UK Shareholder held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the Shareholder in order to pro-rate any gain made upon disposal; the impact is that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits from the date of change in status of the fund in which they can be made.

It should be noted that a "disposal" for United Kingdom taxation purposes includes a switching between Funds and may include a switching between Share Classes of Funds.

#### *Reporting Fund Status*

In 'broad terms, a 'reporting fund' is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. The Manager intends to manage the affairs of the Fund so that these upfront and annual duties are met and continue to be met on an ongoing basis for each Class within the Fund that seeks United Kingdom reporting fund status. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for United Kingdom tax purposes) on a per-Share basis to all relevant Shareholders.

A list of the Share Classes which currently have 'reporting fund' status is available at

<https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>

UK Shareholders who hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will generally be deemed to arise to United Kingdom Shareholders on the date the report is issued by the Manager.

In accordance with Regulation 90 of the Offshore Funds (Tax) Regulations 2009, Shareholder reports shall be made available within six months of the end of the reporting period at [www.blackrock.co.uk/reportingfundstatus](http://www.blackrock.co.uk/reportingfundstatus). The intention of the regulations is that reportable income data shall principally be made available on a website accessible to UK investors. Alternatively, the Shareholder may if they so require, request a hard copy of the reporting fund data for any given year. Such requests must be made in writing to the following address:

Head of Product Tax, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London, EC2N 2DL.

Each such request must be received within three months of the end of the reporting period. Unless the fund manager is notified to the contrary in the manner described above, it is understood that investors do not require their report to be made available other than by accessing the appropriate website.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant Share Classes it will remain in place permanently, provided the annual requirements are undertaken.

UK resident but non-UK domiciled investors who are subject to tax in the UK on the remittance basis should note that an investment in an accumulating 'reporting fund' Share Class is likely to constitute a mixed fund for their purposes. Further, there is no guarantee that for distributing Share Classes, the excess of reportable income over distributions paid in any given period will always be nil. Investors are encouraged to seek their own professional tax advice in this regard.

#### *Inheritance Tax*

An individual Shareholder domiciled or deemed for United Kingdom tax purposes domiciled in the United Kingdom may be liable to United Kingdom Inheritance Tax on their Shares in the event of death or on making certain categories of lifetime transfer.

#### *Anti-Avoidance Measures for Income Tax*

The attention of individuals resident in the United Kingdom is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions

resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the United Kingdom and may render them liable to income tax in respect of undistributed income of the Fund on an annual basis. The legislation is not directed towards the taxation of capital gains.

#### *Taxation of Corporate Shareholders*

Corporate Shareholders resident in the UK for taxation purposes should note that the “controlled foreign companies” legislation contained in Part 9A of the Taxation (International and Other Provisions) Act 2010 (“TIOPA 2010”) could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25% or more of any chargeable profits of a non-UK resident company, where that non-UK resident company is controlled by residents of the UK and meets certain other criteria (broadly that it is resident in a low tax jurisdiction). “Control” is defined in Chapter 18, Part 9A of TIOPA 2010. A non-UK resident company is controlled by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40% of the interests, rights and powers by which those persons control the non-UK resident company, and the other of whom has at least 40% and not more than 55% of such interests, rights and powers. The effect of these provisions could be to render such Shareholders liable to UK corporation tax in respect of the income of the Fund.

#### *Close Company Rules*

The attention of persons resident in the United Kingdom for taxation purposes (and who, if individuals, are also domiciled in the United Kingdom for those purposes) is drawn to the fact that the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 could be material to any such person whose proportionate interest in the Fund (whether as a Shareholder or otherwise as a “participator” for United Kingdom taxation purposes) when aggregated with that of persons connected with that person is 25%, or greater, if, at the same time, the Fund is itself controlled in such matter that it would, were it to be resident in the United Kingdom for taxation purposes, be a “close” company for those purposes. Section 13 could, if applied, result in a person with such an interest in the Fund being treated for the purposes of United Kingdom taxation of chargeable gains as if a part of any capital gain accruing to the Fund (such as on a disposal of any of its investments) had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person’s proportionate interest in the Fund (determined as mentioned above).

#### *Corporate Debt Tax Regime*

Under the corporate debt tax regime in the United Kingdom any corporate Shareholder which is within the charge to United Kingdom corporation tax will be taxed on the increase in value of its holding on a mark to market basis (rather than on disposal) or will obtain tax relief on any equivalent decrease in value, if the investments held by the Fund within which the Shareholder invests, consist of more than 60% (by value) of “qualifying investments”. Qualifying investments are broadly those, which yield a return directly or indirectly in the form of interest.

#### *Transfer Taxes*

Transfer taxes may be payable by the Fund in the United Kingdom and elsewhere in relation to the acquisition and/or disposal of Investments. In particular, stamp duty reserve tax at the rate of 0.5% (or, if the transfer does not take place in dematerialised form, stamp duty at an equivalent rate) will be payable by the Fund in the United Kingdom on the acquisition of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom. This liability will arise in the course of the Fund’s normal investment activity and on the acquisition of Investments from subscribers on subscription for Shares.

In the absence of an exemption applicable to a prospective Shareholder (such as that available to intermediaries under section 88A of the Finance Act 1986) stamp duty reserve tax (or stamp duty) at the same rate as above will also be payable by prospective Shareholders on the acquisition shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom for the purpose of subsequent subscription for Shares, and may arise on the transfer of Investments to Shareholders on redemption.

Because the Fund is not incorporated in the United Kingdom and the register of holders of Shares will be kept outside the United Kingdom, no liability to stamp duty reserve tax will arise by reason of the transfer, subscription for or redemption of Shares except as stated above. Liability to stamp duty will not arise provided that any instrument in writing transferring Shares in the Fund is executed and retained at all times outside the United Kingdom.

#### **Foreign Account Tax Compliance Act ('FATCA') and other cross border reporting systems**

The U.S.-Ireland Agreement to Improve International Tax Compliance and to implement FATCA (the "U.S.-Ireland IGA") was entered into with the intention of enabling the Irish implementation of the Foreign Account Tax Compliance Act provisions

of the U.S. Hiring Incentives to Restore Employment Act (“FATCA”), which impose a reporting regime and potentially a 30% withholding tax on certain payments made from (or attributable to) U.S. sources or in respect of U.S. assets to certain categories of recipient including a non-U.S. financial institution (a “foreign financial institution” or “FFI”) that does not comply with the terms of FATCA and is not otherwise exempt. Certain financial institutions (“reporting financial institutions”) are required to provide certain information about their U.S. accountholders to the Irish Revenue Commissioners (which information will in turn be provided to the U.S. tax authority) pursuant to the U.S.-Ireland IGA. It is expected that the Fund will constitute a reporting financial institution for these purposes. Accordingly, the Fund is required to provide certain information about its U.S. Shareholders to the Irish Revenue Commissioners (which information will in turn be provided to the U.S. tax authorities) and is also required to register with the U.S. Internal Revenue Service. It is the intention of the Manager to procure that the Fund is treated as complying with the terms of FATCA by complying with the terms of the reporting system contemplated by the U.S.-Ireland IGA. No assurance can, however, be provided that the Fund will be able to comply with FATCA and, in the event that it is not able to do so, a 30% withholding tax may be imposed on payments it receives from (or which are attributable to) U.S. sources or in respect of U.S. assets, which may reduce the amounts available to it to make payments to its Shareholders.

A number of jurisdictions have entered into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. This will require the Manager to provide certain information to the Irish Revenue Commissioners about Shareholders from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities).

The OECD Common Reporting Standard (the “CRS”) replaces the previous European information reporting regime in respect of savings income under Directive 2003/48/EC (commonly known as the EU Savings Directive regime).

In light of the above, Shareholders in the ICAV will be required to provide certain information to the Manager to comply with the terms of the reporting systems. Please note that the Manager has determined that the ICAV is not open for investment by any US Person who would be subject to the 1940 Act, the 1933 Act, the CEA, or US income tax unless prior consent is obtained from the Manager.

#### **Data protection notice - collection and exchange of information under the CRS**

For the purposes of complying with its obligations under the CRS as implemented in Irish law and to avoid the imposition of financial penalties thereunder, the ICAV may be required to collect certain information in respect of non-Irish resident direct and indirect individual beneficial owners of the Shares and, to the extent required pursuant to the CRS, to annually report such information to the Irish Revenue Commissioners. Such information includes the name, address, jurisdiction of residence, tax identification number (TIN), date and place of birth (as appropriate) of the non-Irish resident direct or indirect beneficial owners of the Shares; the “account number” and the “account balance” or value at the end of each calendar year; and the gross amount paid or credited to the Shareholder during the calendar year (including aggregate redemption payments).

Such information in relation to all non-Irish resident direct or indirect beneficial owners of the Shares will in turn be exchanged, in a secure manner, by the Irish Revenue Commissioners with the tax authorities of other relevant participating jurisdictions under the CRS in accordance with the requirements of (and solely for the purposes of compliance with) the CRS. Further information in relation to the CRS can be found on the AEOI (Automatic Exchange of Information) webpage on [www.revenue.ie](http://www.revenue.ie). All prospective investors should consult with their respective tax advisers regarding the possible implications of CRS on their investments in the ICAV.

#### **Pillar II Taxation**

The OECD has issued work relating to the introduction of a system ensuring a minimum level of taxation for multinational enterprises (“Pillar Two”). The Pillar Two rules<sup>1</sup> aim to ensure that large multinational enterprise (MNE) groups pay a minimum level of tax on the income arising in each of the jurisdictions where they operate, by imposing a top-up tax whenever the effective tax rate, determined on a jurisdictional basis, is below the minimum rate specified in Pillar Two.

If a Shareholder entity or, where applicable, its ultimate parent entity consolidates (or is deemed to consolidate) the Fund in its consolidated financial statements (“Consolidated Financial Statements”), there is a risk that the Fund may become subject to Pillar Two tax.

If the Fund falls within the scope of Pillar Two, the effective tax rates within its structure could increase due to higher amounts of tax being due or the possible denial of deductions. Tax compliance costs may also increase, which could adversely

<sup>1</sup> The OECD’s 2021 “Tax Challenges Arising from Digitalisation of the Economy – Global Anti-Base Erosion Model Rules (Pillar Two): Inclusive Framework on BEPS” (the Model Rules) and Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the EU (the Pillar Two Directive), together with any current or future similar or related legislation in respect of any EU or non-EU jurisdiction and, in each case, any current or future legislation, regulations, guidance or official interpretations in connection therewith.

affect returns to the Shareholders. In the event the Fund becomes liable for any Pillar Two tax, this may reduce the amounts available for distribution to the Shareholders.

Each Shareholder agrees to indemnify the Fund, on demand, for any Pillar Two tax liability and tax compliance costs that may be incurred by the Fund as a result of a (deemed) consolidation in the Consolidated Financial Statements relating to that Shareholder.

To the extent that any Pillar Two tax liability arises at the level of a Shareholder entity or, where applicable, the MNE group to which it belongs, as a result of the investment in the Fund, such liability shall be borne solely by the Shareholder giving rise to it and not borne by the Fund or any other Shareholder. Shareholders are responsible for assessing their own Pillar Two tax position in connection with their investment in each Fund, including whether they may be required to consolidate the Fund on a line-by-line basis in their Consolidated Financial Statements. Shareholders must notify BlackRock as soon as any such (deemed) consolidation requirement is identified.

BlackRock reserves the right to redeem the Shares of any Shareholder if the holding of such Shares by any Shareholder gives rise to additional Pillar Two tax at the level of the Fund and/or results in additional filing or compliance obligations for the Fund.

## APPENDIX A

### FINANCIAL DERIVATIVE INSTRUMENTS

#### A. Investment in FDI - Efficient Portfolio Management/Direct Investment

The following provisions apply whenever a Fund proposes to engage in transactions in FDI where the transactions are for the purposes of the efficient portfolio management of any Fund or for direct investment purposes (and such intention is disclosed in the Fund's investment policy). Permitted FDI are listed below:

##### Swaps

These include total return swaps, interest rate swaps, credit default swaps and currency swaps. A total return swap is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. An interest rate swap involves the exchange by one party with another party of their respective commitments to pay or receive cash flows. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. A seller receives a fixed rate of income throughout the term of the contract. Currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency.

##### Options

A call option is where the purchaser has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. A put option gives the purchaser the right to sell the underlying securities at the specified exercise price during the term of the option.

Convertible bonds typically allow the holder to “convert” all or part of the principal balance together with accrued interest into common stock of the same issuer at a pre-determined conversion rate or pursuant to a pre-determined formula. Convertible bonds therefore typically embed an option.

##### Futures and options on futures

The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price. An option on futures is an option to acquire or dispose of a future. A Fund may be the buyer or seller of these instruments.

##### Forward currency exchange contracts

The Fund may buy and sell currencies on a spot and forward basis in order to hedge currency exposure. A forward currency exchange contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract.

##### *Risk management*

The Investment Manager employs a risk management process in respect of the Funds in accordance with the requirements of the Central Bank to enable it to monitor, measure and manage accurately the global exposure from FDI (“global exposure”) which each Fund gains.

The Investment Manager may use a methodology known as the “Commitment Approach” in order to measure the global exposure of a Fund and manage the potential loss to it due to market risk. The commitment approach methodology aggregates the underlying market or notional values of FDI to determine the degree of global exposure of a Fund to FDI. This aggregated value is then assessed as a percentage of the Net Asset Value of the fund, with a limit at 100%.

The Investment Manager may alternatively use a methodology known as “Value at Risk” (“VaR”) in order to measure the global exposure of a Fund and manage the potential loss to it due to market risk. The VaR methodology measures the potential loss to a Fund at a particular confidence (probability) level over a specific time period and under normal market conditions. The Investment Manager uses a one-tailed 99% confidence level, a one month holding period and a historical observation period of not less than one year for the purposes of carrying out this calculation.

There are two types of VaR measure which can be used to monitor and manage the global exposure of a Fund: “Relative VaR” and “Absolute VaR”.

Relative VaR is the VaR of a Fund divided by the VaR of an appropriate benchmark or reference portfolio allowing the global exposure of a Fund to be compared to, and limited by reference to, the global exposure of the appropriate benchmark or reference index. The UCITS Regulations specify that the VaR of the Fund must not exceed twice the VaR of the benchmark or reference index.

Absolute VaR is commonly used as the relevant VaR measure for absolute return style funds where a benchmark or reference portfolio is not appropriate for risk measurement purposes. In accordance with the requirements of the Central Bank, the VaR measure for such a Fund must not exceed 20% of that Fund's Net Asset Value.

The methodology used by each Fund is disclosed in the relevant Supplement. In circumstances where a Fund is using the VaR approach the relevant part of the Supplement will disclose the possibility of higher levels of leverage, beyond the expected levels of leverage disclosed, and information on any reference portfolio(s).

For the purpose of calculating the expected leverage of a Fund using VaR:

- i) VaR will be calculated daily and leverage will be calculated as the sum of the notionals of the derivatives used.
- ii) the calculation of leverage may be supplemented with leverage calculated on the basis of a commitment approach; and
- iii) the creation of leveraged exposure to an index via FDI, or the inclusion of a leverage feature in an index, shall be taken into account in assessing the expected and higher levels of leverage which will be disclosed in the relevant part of the Supplement as necessary.

The Manager will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

#### *General*

Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.

A Fund may invest in FDI dealt OTC provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank. Counterparties to swap transactions will not have discretion over the assets of a Fund. Collateral received in connection with swap transactions shall be marked-to-market daily and subject to daily variation margin.

## **B. Efficient Portfolio Management - Other Techniques and Instruments**

1. In addition to the investments in FDI noted above, the Funds may employ other techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management purposes such as repurchase / reverse repurchase agreements ("Repo Contracts") and securities lending subject to the conditions and limits set out in the Central Bank UCITS Regulations and the limits applicable to each Fund set out in Appendix A. Techniques and instruments which relate to transferable securities and money market instruments and which are used for the purpose of efficient portfolio management, including FDI which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:
  - (a) they are economically appropriate in that they are realised in a cost-effective way;
  - (b) they are entered into for one or more of the following specific aims:
    - (i) reduction of risk;
    - (ii) reduction of cost;
    - (iii) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the UCITS Regulations;
  - (c) their risks are adequately captured by the risk management process document of the Fund; and

- (d) they cannot result in a change to the Fund's declared investment objectives or add supplementary risks in comparison to the general risk policy as described in the sales documents.

Techniques and instruments (other than FDI) which may be used for efficient portfolio management purposes are set out below and are subject to the conditions in sub-section 2.

2. The following applies to Repo Contracts and securities lending arrangements, in particular, and reflects the requirements of the "ESMA Guidelines on ETFs and Other UCITS Issues" ESMA/2012/832EN (the "ESMA Guidelines") and is subject to changes thereto:
- (a) Repo Contracts and securities lending may only be effected in accordance with normal market practice.
- (b) The Fund must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.
- (c) Repo Contracts or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 of the UCITS Regulations respectively.
- (d) Where the Fund enters into repurchase agreements, it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.
- (e) Where the Fund enters into reverse repurchase agreements, it must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.
- (f) The Manager conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Manager without delay.
3. The Manager shall ensure that all revenues from efficient portfolio management techniques not received directly by the relevant Fund will be returned to that Fund, net of direct and indirect operational costs and fees (which do not include hidden revenue). To the extent the Fund engages in securities lending it may appoint a securities lending agent, which may or may not be an Affiliate and which may receive a fee in relation to its securities lending activities. Any operational costs arising from such securities lending activities shall be borne by the securities lending agent out of its fee.
4. The Fund may invest in securities on a when-issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.

**C. Risks and potential conflicts of interest involved in efficient portfolio management techniques.**

There are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities (see further below). Please refer to the sub-section of this Prospectus headed "Conflicts of Interest" in Appendix C and section 6 of this Prospectus ("Risk Factors") in particular but without limitation, the risk factors relating to FDI risks, counterparty risk, counterparty risk to the Depositary and other depositaries and credit risk. These risks may expose investors to an increased risk of loss.

**D. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques**

*For the purposes of this sub-section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1998 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.*

*The provisions below reflect the requirements of the ESMA Guidelines and are subject to changes thereto.*

- (a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques (“Collateral”), such as a Repo Contract or securities lending arrangement, will be of an appropriate type for the given transaction and the particular counterparty and may be in the form of cash or securities (without restriction as to issuer type or location, or maturity) and must comply with the following criteria:
- (i) liquidity: Collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation;
  - (ii) valuation: Collateral should be capable of being valued on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place;
  - (iii) issuer credit quality: Collateral should be of high quality;
  - (iv) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
  - (v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund’s Net Asset Value. When a Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies set out in Appendix B, paragraph 2.12. Such a Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund’s Net Asset Value; and
  - (vi) immediately available: Collateral must be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (b) Until the expiry of the repo contract or securities lending arrangement, Collateral obtained under such contracts or arrangements:
- (i) must be marked to market daily; and
  - (ii) is intended to equal or exceed the value of the amount invested or securities loaned plus a premium.
- (c) Collateral must be held by the Depositary or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third-party custodian which is subject to prudential supervision; and which is unrelated to the provider of the Collateral.
- (d) Non-cash Collateral
- Non-cash collateral cannot be sold, re-invested or pledged.
- (e) Cash Collateral
- Cash as collateral may only be:
- (i) placed on deposit with relevant institutions;
  - (ii) invested in high quality government bonds;
  - (iii) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund can recall at any time the full amount of the cash on an accrued basis; and
  - (iv) invested in short term money market funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral. Re-invested collateral is subject to the same risk factors as direct investments, as set out in section 6 of this Prospectus (“Risk Factors”).

## (f) Haircut policy

The Fund has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Fund that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

## (g) The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in Appendix B, paragraph 2.8.

## (h) A Fund shall receive such collateral as necessary to ensure that the Fund's risk exposure to the counterparty, taking into account any netting arrangements, does not exceed limits set out in Regulation 70(1)(c) of the UCITS Regulations.

**E. Counterparty Selection & Review**

BlackRock Group select from an extensive list of full service and execution-only brokers and counterparties. All prospective and existing counterparties require the approval of the Counterparty and Concentration Risk Group ("CCRG"), which is part of BlackRock's independent Risk & Quantitative Analysis department ("RQA").

In order for a new counterparty to be approved, a requesting portfolio manager or trader is required to submit a request to the CCRG. The CCRG will review relevant information to assess the credit-worthiness of the proposed counterparty in combination with the type and settlement and delivery mechanism of the proposed security transactions. BlackRock's established counterparty credit risk management policy does not make reference to a minimum credit rating as part of the review and approval process. Eligible counterparties may be constituted as companies, trusts, partnerships or their equivalent, and will be institutions subject to prudential supervision, domiciled in OECD and non-OECD countries. A list of approved trading counterparties is maintained by the CCRG and reviewed on an on-going basis.

Counterparty reviews take into account the fundamental creditworthiness (ownership structure, financial strength, regulatory oversight) and commercial reputation of specific legal entities in conjunction with the nature and structure of proposed trading activities. Counterparties are monitored on an ongoing basis through the receipt of audited and interim financial statements, via portfolio alerts with market data service providers, and where applicable, as part of BlackRock Group's internal research process. Formal renewal assessments are performed on a cyclical basis.

BlackRock Group select brokers based upon their ability to provide good execution quality (i.e. trading), whether on an agency or a principal basis; their execution capabilities in a particular market segment; and their operational quality and efficiency; and we expect them to adhere to regulatory reporting obligations.

Once a counterparty is approved by the CCRG, broker selection for an individual trade is then made by the relevant dealer at the point of trade, based upon the relative importance of the relevant execution factors. For some trades, it is appropriate to enter into a competitive tender amongst a shortlist of brokers. BlackRock Group perform pre-trade analysis to forecast transaction cost and to guide the formation of trading strategies including selection of techniques, division between points of liquidity, timing and selection of broker. In addition, BlackRock Group monitors trade results on a continuous basis.

Broker selection will be based on a number of factors including, but not limited to the following:

- ability to execute and execution quality;
- ability to provide liquidity/capital;
- price and quote speed;
- operational quality and efficiency; and
- adherence to regulatory reporting obligations.

## APPENDIX B

## INVESTMENT RESTRICTIONS

The assets of each Fund will be invested in accordance with the investment restrictions contained in the UCITS Regulations, the current iteration of which is summarised below, and such additional investment restrictions, if any, as may be adopted by the Directors. The details of such additional investment restrictions will be set out in the relevant investment policy of each Fund as set out in the relevant Supplement.

<b>1</b>	<b>Permitted Investments</b>
<b>1.1</b>	Investments of each Fund are confined to: Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of alternative investment funds.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	FDI.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	Each Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	Recently Issued Transferable Securities <ol style="list-style-type: none"> <li>1. Subject to paragraph 2 below, each fund shall not invest any more than 10% of assets of a Fund in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.</li> <li>2. Paragraph 1 above does not apply to an investment by a responsible person in US securities known as Rule 144A securities provided that: <ul style="list-style-type: none"> <li>- the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchanges Commission within one year of issue; and</li> <li>- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.</li> </ul> </li> </ol>
<b>2.3</b>	Each Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund. To avail of this provision the prior approval of the Central Bank is required.
<b>2.5</b>	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
<b>2.6</b>	The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be

	taken into account for the purpose of applying the limit of 40% referred to in 2.3.
2.7	A UCITS shall not invest more than 20% of its assets in deposits made with the same body.
2.8	The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.  This limit is raised to 10% in the case of a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
2.9	Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets: <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> <li>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
2.10	The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
2.11	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
2.12	Each Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.  The individual issuers must be listed in the prospectus and may be drawn from the following list:  OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Saudi Arabia (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.  Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.
<b>3</b>	<b>Investment in collective investment schemes ("CIS")</b>
3.1	A fund may not invest more than 10% in underlying CIS unless otherwise stated in its investment policy.
3.2	Where 3.1 does not apply then the following provisions apply <ul style="list-style-type: none"> <li>• A Fund may not invest more than 20% of net assets in any one CIS.</li> <li>• Investment in alternative investment funds may not, in aggregate, exceed 30% of net assets.</li> <li>• The underlying CIS are prohibited from investing more than 10% of their net assets in other open-ended CIS.</li> </ul>
3.3	When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager or other company may not charge

	subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
3.4	Where by virtue of investment in the units of another investment fund, the Manager or Investment Manager receives a commission on behalf of the Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.
3.5	Where the investment policy of a Fund states that it may invest in other Funds of the ICAV, the following restrictions will apply: <ul style="list-style-type: none"> <li>• a Fund will not invest in another Fund of the ICAV which itself holds Shares in other Funds within the ICAV;</li> <li>• a Fund investing in such other Fund of the ICAV will not be subject to subscription, conversion or redemption fees;</li> <li>• the Manager will not charge a management fee to a Fund in respect of that portion of the Fund's assets invested in another Fund of the ICAV (this provision also applies to the annual fee charged by the investment manager where this fee is paid directly out of the assets of the ICAV); and</li> <li>• investment by a Fund in another Fund of the ICAV will be subject to the limits set out in paragraph 3.2 above.</li> </ul>
<b>4</b>	<b>Index Tracking UCITS</b>
4.1	A Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.
4.2	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
5.1	The Manager acting in connection with all of the funds it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
5.2	A Fund may acquire no more than: <ol style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the Shares of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ol> <p>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p>
5.3	5.1 and 5.2 shall not be applicable to: <ol style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> <li>(v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital</li> </ol>

	of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of Shares at Share-holders' request exclusively on their behalf.
5.4	A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
5.5	The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
5.7	Neither the Manager, an Investment Manager nor the ICAV acting on behalf of a Fund may carry out uncovered sales of: <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments*;</li> <li>- Shares of CIS; or</li> <li>- FDI.</li> </ul> <p>* Any short selling of money market instruments by UCITS is prohibited.</p>
5.8	A Fund may hold ancillary liquid assets.
<b>6</b>	<b>Financial Derivative Instruments ('FDI')</b>
6.1	A Fund's global exposure relating to FDI must not exceed its total net asset value.
6.2	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations/Guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.),
6.3	A Fund may invest in FDI dealt over the counter ("OTC") provided that the counterparties to the OTC transactions ("OTCs") are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
6.4	Investment in FDI are subject to the conditions and limits laid down by the Central Bank.
<b>7</b>	<b>Borrowing Restrictions</b>
	The UCITS Regulations provide that the Manager, in respect of each Fund: <ul style="list-style-type: none"> <li>a) may not borrow, other than borrowing which in the aggregate do not exceed 10% of the Net Asset Value of the Fund and provided that this borrowing is on a temporary basis. Borrowing may be secured on the assets of the Fund. Credit balances (e.g. cash) may not be offset against borrowing when determining the percentage of borrowings outstanding;</li> <li>b) may acquire foreign currency by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowing for the purpose of the borrowing restriction in paragraph (a), provided that the offsetting deposit: (i) is denominated in the Base Currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding. However, where foreign currency borrowing exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purposes of paragraph (a) above. Please refer to the risk factor headed "Currency Risk – Base Currency" which highlights the risks that may arise if the offsetting balance is not maintained in the Base Currency.</li> </ul>

## APPENDIX C

## DETERMINATION OF NET ASSET VALUE, VALUATION AND OTHER ADDITIONAL INFORMATION

**1. Determination of Net Asset Value and Temporary Suspension of Dealings**

(a) All prices for transactions in Shares on a Dealing Day are based on and derived from the Net Asset Value per Share of the Share Classes concerned, as shown by a valuation made at a time or times determined by the Directors. The Manager operates “forward pricing” for all Funds and Share Classes, i.e., prices are calculated on the Dealing Day concerned after the Cut-Off Point. Prices in respect of a Dealing Day are normally published on the next Business Day. Neither the ICAV nor the Depositary can accept any responsibility for any error in publication, or for non-publication of prices or for any inaccuracy of prices so published or quoted. Notwithstanding any price quoted by the ICAV, by the Depositary or by any distributor, all transactions are effected strictly on the basis of the prices calculated as described above. If for any reason such prices are required to be recalculated or amended, the terms of any transaction effected on the basis of them will be subject to correction and, where appropriate, the investor may be required to make good any underpayment or reimburse any overpayment as appropriate. Periodic valuations of holdings in any Fund or Share Class may be supplied by arrangement with the local Investor Services teams.

**(b) *Single Swing Pricing Funds***

In circumstances where any of the Funds are valued in accordance with this section, as disclosed in the section entitled “Calculation of Net Asset Value”, the Manager may adjust the Net Asset Value per Share for a Fund in order to reduce the effect of “Dilution” on that Fund (known as “swing pricing”). Dilution occurs when the actual cost of purchasing or selling the underlying assets of a Fund deviates from the carrying value of these assets in the Fund’s valuation, due to factors such as dealing and brokerage charges, taxes and duties, market movement and any spread between the buying and selling prices of the underlying assets. Dilution may have an adverse effect on the value of a Fund and therefore impact Shareholders. By adjusting the Net Asset Value per Share this effect can be reduced or prevented and Shareholders can be protected from the impact of Dilution. The Manager may adjust the Net Asset Value of a Fund if on any Dealing Day the value of the aggregate transactions in Shares of all Share Classes of that Fund results in a net increase or decrease which exceeds one or more thresholds that are set by the Manager for that Fund. The amount by which the Net Asset Value of a Fund may be adjusted on any given Dealing Day is related to the anticipated cost of market dealing for that Fund. In such circumstances the Net Asset Value of the relevant Fund may be adjusted by an amount not exceeding 3% of that Net Asset Value. The adjustment will be an addition when the net movement (excluding in specie deals where relevant) results in an increase in the value of all Shares of the Fund and a deduction when it results in a decrease. As certain stock markets and jurisdictions may have different charging structures on the buy and sell sides, particularly in relation to duties and taxes, the resulting adjustment may be different for net inflows than for net outflows. In addition, the Manager may also agree to include extraordinary fiscal charges in the amount of the adjustment. These extraordinary fiscal charges vary from market to market and are currently expected not to exceed 2.5% of that Net Asset Value. Where a Fund invests primarily in certain asset types, such as government bonds or money market securities, the Manager may decide that it is not appropriate to make such an adjustment. Shareholders should note that due to adjustments being made to the Net Asset Value per Share, the volatility of a Fund’s Net Asset Value per Share may not fully reflect the true performance of the Fund’s underlying assets.

**(c) *Dual Pricing Funds***

In circumstances where the any of the Funds are valued in accordance with this section, as disclosed in the section entitled “Calculation of Net Asset Value”, the Subscription Price and Redemption Price at which Shares may be subscribed or redeemed will be derived from the relevant Net Asset Value per Share adjusted as appropriate to reflect Duties and Charges and will be determined as follows:

*Subscription Price*

The Subscription Price per Share at which the allotment of Shares shall be made following the Initial Offer Period shall be ascertained by:

- i. determining the Net Asset Value attributable to the relevant class of Shares in respect of the relevant Dealing Day and adding thereto such sum as the Directors/Manager in their absolute discretion may from time to time determine as an appropriate provision for Duties and Charges in respect of the allotment and issue of the Shares;

- ii. dividing the amount calculated under i by the number of Shares of the Class in issue at the relevant Valuation Point; and
- iii. adding thereto or deducting therefrom such amount as may be necessary to round the resulting amount to such number of decimal places as the Directors/Manager may deem appropriate.

*Redemption Price*

The Redemption Price per Share at which the redemption of Shares shall be made shall be ascertained by:

- i. determining the Net Asset Value attributable to the relevant class of Shares in respect of the relevant Dealing Day and deducting therefrom such sum as the Directors/Manager in their absolute discretion may from time to time determine as an appropriate provision for Duties and Charges in respect of the redemption of the Shares;
  - ii. dividing the amount calculated under i by the number of Shares of the Class in issue at the relevant Valuation Point; and
  - iii. adding thereto or deducting therefrom such amount as may be necessary to round the resulting amount to such number of decimal places as the Directors/Manager may deem appropriate.
- (d) The Directors may, in consultation with the Depositary, temporarily suspend the determination of the Net Asset Value and the sale, issue, valuation, purchase, allotment, conversion and/or redemption or payments of redemption proceeds of Shares of a Fund during:
- i. any period when any organised exchange on which a substantial portion of the investment for the time being comprised in the relevant Fund are quoted, listed, traded or dealt in is closed otherwise than for ordinary holiday, or during which dealings in any such organised exchange are restricted or suspended;
  - ii. any period where, as a result of political, military, economic or monetary events, conditions of financial markets or other circumstances beyond the control, responsibility and power of the Directors, including the unavailability of relevant prices, the disposal or valuation of investments for the time being comprised in the relevant Fund cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interest of Shareholders of that Fund;
  - iii. any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the relevant Fund or during any period when for any other reason the value of investments for the time being comprised in the Fund cannot, in the opinion of the Directors, be promptly or accurately ascertained;
  - iv. any period when the Fund is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the Fund, or the transfer or payment of the funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices;
  - v. any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the Fund or the remaining Shareholders in the relevant Fund;
  - vi. any period (other than ordinary holiday or customary weekend closings) when any market or exchange which is the main market or exchange for a significant part of the instruments or positions is closed, or in which trading thereon is restricted or suspended;
  - vii. any period when proceeds of any sale or repurchase of the Shares cannot be transmitted to or from the account of the relevant Fund;
  - viii. any period in which the repurchase of the Shares would, in the opinion of the Directors, result in a violation of applicable laws;

- ix. any period after a notice convening a meeting of Shareholders for the purpose of dissolving the Fund or terminating a Fund has been issued, up to and including the date of such meeting of Shareholders;
- x. any period during which dealings in a CIS in which the Fund has invested a significant portion of its assets are suspended; or
- xi. any period when the Directors determine that it is in the best interests of the Shareholders of a Fund to do so.

## 2. Valuation of Assets

- (a) The Net Asset Value of the Fund shall be calculated in accordance with the provisions of this Appendix. All approvals given or decisions made by the Depositary pursuant to this Appendix shall be given or made, as the case may be, following consultation with the Manager (if any) and the Investment Manager.
- (b) The Net Asset Value per Share of a Fund shall be calculated by dividing the assets of the relevant Fund less its liabilities by the number of Shares in issue in that Fund. Shares of Funds are expected to perform differently and each Fund will bear its own fees and expenses to the extent specifically attributable to that Fund. Any liabilities of the Fund that are not attributable to any Fund shall be allocated amongst the Funds based on their respective Net Asset Value or on any other basis approved by the Directors following consultation with the Depositary having taken into account the nature of the liabilities.
- (c) Where a Fund is made up of more than one Share Class, the Net Asset Value of each Share Class shall be determined by calculating the amount of the Net Asset Value of the relevant Fund attributable to each Share Class. The amount of the Net Asset Value of a Fund attributable to a Share Class shall be determined by establishing the number of Shares in issue in the Class, by allocating the relevant expenses and fees attributable to the Share Class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund accordingly. Where the Manager has created different Classes of Shares within a Fund it may determine that currency hedging transactions may be entered into in order to hedge any relevant currency exposure of any Class within a Fund denominated in a currency other than the Base Currency. Accordingly, any appreciation or depreciation of the Net Asset Value of the relevant Fund resulting from expenses, income, gains and losses that are attributable to any hedging in respect of a Share Class shall be attributable solely to the Share Class to which it relates.

The Net Asset Value per Share of a Class shall be calculated by dividing the Net Asset Value of the Class by the number of Shares in issue in that Class. Expenses not attributable to a particular Class may be allocated amongst the Classes based on their respective Net Asset Value or any other reasonable basis approved by the Directors following consultation with the Depositary and having taken into account the nature of the fees and charges. Class expenses or other fees and expenses relating specifically to a Class will be charged to that Class. In the event that Classes of Shares within a Fund are issued which are priced in a currency other than the Base Currency for that Fund (such as Currency Denominated Share Classes) currency conversion costs will be borne by that Class.

The value of the assets of the Fund shall be determined as follows:

- i. each asset which is quoted, listed or traded on or under the rules of any Regulated Market shall be valued at the last traded price for equity securities or the closing mid-market price for fixed income securities in each case on the relevant Regulated Market on the relevant Dealing Day.
- ii. if an asset is normally quoted, listed or traded on or under the rules of more than one Regulated Market, the relevant Regulated Market shall be either (a) that which is the main market for the investment or (b) the market which the Manager determines provides the fairest criteria in a value for the security, as the Manager may determine.
- iii. if prices for an asset quoted, listed or traded on the relevant Regulated Market are not available at the relevant time, or are unrepresentative in the opinion of the Manager, such asset shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Manager and approved for the purpose by the Depositary.

- iv. if an asset is quoted, listed or traded on a Regulated Market but acquired or traded at a premium or discount outside of or off the Regulated Market, the asset shall be valued taking into account the level of premium or discount as of the date of valuation of the instrument.
- v. the value of any asset which is not normally quoted, listed or traded on or under the rules of a Regulated Market, will be valued at its probable realisation value estimated with care and in good faith by the Manager or by a competent person, firm or corporation appointed by the Manager and approved for such purpose by the Depositary.
- vi. in the case of Funds whose investment objective is to track a particular index and where there is significant overlap between the assets of the relevant Fund and its relevant index, the assets of such Funds may be valued in accordance with the valuation methodology for such Investments which is utilised by the relevant index. Such valuation methodology may include valuing Investments using closing bid price, last bid price, last traded price, closing mid-market price, last mid-market price and/or official closing price. Details of the relevant index and the valuation methodology utilised from time to time in relation to any Investments not valued in accordance with the provisions above shall be set out in this Prospectus.
- vii. cash in hand or on deposit shall be valued at face value together with accrued interest where applicable, unless in the opinion of the Manager any adjustment should be made to reflect the fair value thereof.
- viii. FDI which are traded on a Regulated Market shall be valued at the settlement price as determined by the relevant Regulated Market, provided that where it is not the practice of the relevant Regulated Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments shall be valued at their probable realisation value estimated with care and in good faith by the Manager or a competent person appointed by it and approved for the purpose by the Depositary.
- ix. OTC FDI will be valued at the probable realisation value estimated with care and in good faith by the Manager or by a competent person, firm or corporation appointed by the Manager and approved for such purpose by the Depositary.
- x. certificates of deposit shall be valued by reference to the latest available sale price for certificates of deposit of like maturity, amount and credit risk on each Dealing Day or, if such price is not available, at the latest bid price or, if such price is not available or is unrepresentative of the value of such certificate of deposit in the opinion of the Manager, at probable realisation value estimated with care and in good faith by a competent person appointed by the Manager and approved for the purpose by the Depositary. Treasury bills and bills of exchange shall be valued with reference to prices ruling in the relevant markets for such instruments of like maturity, amount and credit risk at close of business on such markets on the relevant Dealing Day.
- xi. units or shares in CIS shall be valued on the basis of the latest available net asset value per unit or share as published by the CIS. If units or shares in such CIS are quoted, listed or traded on or under the rules of any Regulated Market then such units or shares will be valued in accordance with the rules set out above for the valuation of assets which are quoted, listed or traded on or under the rules of any Regulated Market. If such prices are unavailable, the units or shares will be valued at their probable realisation value estimated with care and in good faith by the Manager or by a competent person, firm or corporation appointed for such purpose by the Manager and approved for the purpose by the Depositary.
- xii. Notwithstanding the above provisions the Manager may, with the approval of the Depositary: (a) adjust the valuation of any listed asset where such adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant; or (b) in relation to a specific asset or class of assets permit an alternative method of valuation approved by the Depositary to be used if it deems it necessary.
- xiii. all assets and liabilities initially expressed in foreign currencies will be converted into the Base Currency of the Fund at market rates. If such quotations are not available, the rate of exchange will be determined to be the probable realisation value estimated with care and in good faith by the Manager.

Dividends, interest and capital gains (if any) which the Fund receives with respect to its investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in certain countries in which the

issuers of investments are located. It is anticipated that the Fund may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the Fund, the Net Asset Value will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

Notwithstanding any other provisions of this Prospectus, the Manager may determine that, in relation to any Fund, the value of the relevant investments shall be calculated by reference to the bid price, where redemptions exceed subscriptions on that Business Day, or by reference to the offer price, where subscriptions exceed redemptions on that Business Day, for such Investments as at the Valuation Point. Any such policy shall be applied consistently in respect of a Fund and in respect of all investments of that Fund.

- (d) The liabilities of the Fund shall be deemed to include any and all actual or estimated liabilities of whatsoever nature of the Fund (except liabilities taken into account in determining the value of the assets of the Fund) including, without limitation to the generality of the foregoing:
- i. all administrative and professional fees and expenses payable and/or accrued including, without prejudice to the generality of the foregoing, all remuneration, fees, costs and expenses payable by the Fund and/or accrued and/or estimated to be payable by the Fund to the Manager, the Depositary, the Investment Manager, the Administrator and the legal advisers of the Fund and to any other person, firm or corporation providing services to the Fund and all other projected expenses as the Directors consider fair and reasonable and properly payable out of the assets of the Fund and all value added tax chargeable, if any, in respect of the provision of any of the foregoing services to the Fund and all other fees and expenses (if any) disclosed in the Prospectus;
  - ii. any and all outstanding borrowings and all accrued interest payable thereon including, without prejudice to the generality of the foregoing, an amount representing the aggregate maximum amount payable by the Fund in respect of any debentures, debenture stock, loan stock, loan notes, bonds or other debt obligations created or issued by the Fund;
  - iii. all bills, notes and accounts payable;
  - iv. the total amount of any actual or estimated liabilities for any and all tax of whatsoever nature and howsoever arising on the income or deemed income and realised capital gains of the Fund as at the relevant Dealing Day;
  - v. the total amount of any actual or estimated liabilities for withholding tax (if any) payable on any of the Investments in respect of the current accounting period;
  - vi. an appropriate provision for all taxes and contingent liabilities as determined from time to time by the Directors; and
  - vii. the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable out of the assets of the Fund.

### 3. UK Reporting Fund Status

The "reporting funds" regime contained in Statutory Instrument 2009 / 3001 (The Offshore Funds (Tax) Regulations 2009) applies to the ICAV from 1 April 2010. A list of the Share Classes which currently have 'reporting fund' status is available at: <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>.

Prospective investors should consult their own professional advisers as to the implications of this.

### 4. Conflicts of Interest

Due to the widespread operations undertaken by the Directors, the Manager, the Investment Manager, the Administrator and the Depositary and (where applicable) their respective holding companies, subsidiaries and affiliates (each an "Interested Party") conflicts of interest may arise.

Subject to the provisions below the Interested Parties may effect transactions where those conflicts arise and shall not (subject as below) be liable to account for any profit, commission or other remuneration arising. All such transactions must be in the best interests of Shareholders.

If a conflict of interest does arise (other than in respect of the Depositary), the Manager will endeavour, so far as it is reasonably able, to ensure that it is resolved fairly and that investment opportunities are allocated on a fair and equitable

basis. Details of conflicts of interest that may arise in respect of the Depositary and how these are addressed are set out in sub-paragraph ix. below.

Without prejudice to the generality of the foregoing the following conflicts of interest may arise:-

- i. an Interested Party may acquire or dispose of any investment notwithstanding that the same or similar Investments may be owned by or for the account of or otherwise connected with the ICAV;
- ii. an Interested Party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the ICAV by virtue of a transaction effected by the ICAV in which the Interested Party was concerned provided that the acquisition by an Interested Party of such investments is conducted on an arm's length basis and such investments held by the ICAV are acquired on the best terms having regard to the interests of the Shareholders;
- iii. an Interested Party may deal with the ICAV as principal or as agent, provided that:
  - a. there is obtained a certified valuation of the transaction by a person approved by the Depositary (or the Manager in the case of a transaction with the Depositary) as independent and competent; or
  - b. the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or
  - c. where a. and .b are not practical, execution is on terms which the Depositary (or the Manager in the case of a transaction with the Depositary) is satisfied conforms with the principle that the transaction is in the best interest of the Shareholders and is conducted at arm's length;

The Depositary (or the Manager in the case of a transaction involving the Depositary) shall document how it has complied with a., b., or c. above. Where transactions are conducted in accordance with c., the Depositary (or the Manager in the case of a transaction involving the Depositary) shall document its rationale for being satisfied that the transaction conformed to the principles outlined in the above paragraph.

- iv. certain of the Directors of the ICAV and the Manager are or may in the future be connected with the BlackRock Group and its affiliates. For the avoidance of doubt, the Directors shall not be liable to account to the ICAV in respect of such conflict for example as a result of receiving remuneration as directors or employees of the Manager or Investment Manager;
- v. the Fund may, subject to the conditions set out in Appendix B and where permitted pursuant to its investment policy in the relevant Supplement, invest in other CIS, which may be operated and/or managed by an Interested Party including, but not limited to, funds of Institutional Cash Series plc. Where commission is received by the Manager by virtue of an Investment by a Fund in the units/shares of any CIS, such commission will be paid into the property of the relevant Fund. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a Shareholder in the Funds, each Shareholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses;
- vi. a Fund may purchase or hold an investment the issuer of which is an Interested Party or where an Interested Party is its adviser or banker;
- vii. the Investment Manager may enter into arrangements with its Affiliates whereby the Investment Manager may agree to pay out of its own resources an incentive or an inducement fee for new subscriptions made by clients of the Affiliates or funds managed by or held by the Affiliate, including client accounts for which an Affiliate has discretionary investment authority. This fee may be in excess of the investment management fee payable to the Investment Manager and will be passed through to the Affiliate's clients;
- viii. Affiliates of the Manager and the Investment Manager may make investments in a Fund that could constitute a substantial percentage of a Fund's Net Asset Value. Such Affiliate investors may, in their sole discretion and without notice to Shareholders, subscribe for Shares in a Fund or redeem all or a substantial amount of their Shares in a Fund. In the event of substantial redemptions by affiliated investors and/or other Shareholders, the Investment Manager may not be able to liquidate sufficient investments in a single Dealing Day and some or all

of a redemption request by affiliated investors or other Shareholders may be deferred until a subsequent Dealing Day;

- ix. As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JP Morgan, from time to time conflicts may arise between the depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds e.g. foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including its obligation under the Directive not to carry out activities with regard to the ICAV that may create conflicts of interest between itself and the ICAV and its investors unless the Depositary has separated the performance of its depositary tasks from its other potentially conflicting tasks and the potential conflicts are identified, managed, monitored and disclosed to investors.

### **Conflicts of Interest – relationships within the BlackRock Group**

The Manager and other BlackRock Group companies undertake business for other clients. BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Manager and its clients. BlackRock maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain.

The types of conflict scenario giving rise to risks which BlackRock considers it cannot with reasonable confidence mitigate are disclosed below. This document, and the disclosable conflict scenarios, may be updated from time to time.

#### **1. Conflicts of Interest within the BlackRock Group**

##### *PA Dealing*

BlackRock Group employees may be exposed to clients' investment information while also being able to trade through personal accounts. There is a risk that, if an employee could place a trade of sufficient size, this would affect the value of a client's transaction. BlackRock Group has implemented a Personal Trading Policy designed to ensure that employee trading is pre-approved.

##### *Employee Relationships*

BlackRock Group employees may have relationships with the employees of BlackRock's clients or with other individuals whose interests conflict with those of a client. Such an employee's relationship could influence the employee's decision-making at the expense of clients' interests. BlackRock Group has a Conflicts of Interest Policy under which employees must declare all potential conflicts.

##### *Information Barriers*

The BlackRock Group has established certain information barriers and other policies to address the sharing of information between different businesses within the BlackRock Group, including, effective on or about 21 January 2025 with respect to personnel responsible with managing portfolios and voting proxies with respect to certain index equity portfolios versus those responsible for managing portfolios and voting proxies with respect to all other portfolios. As a result of information barriers, certain personnel, businesses, or business units of the BlackRock Group generally, including within the Investment Manager, will not have access, or will have limited access, to certain information and personnel, including senior personnel, in other units of BlackRock Group which may adversely affect the ability of the Investment Manager to manage the Funds with the benefit of information possessed by such other units.

The BlackRock Group may determine to move certain personnel, businesses, or business units from one side of an information barrier to the other side of the information barrier. In such circumstances, such personnel, businesses, and business units that were moved will no longer have access to the information and personnel from the side of the information barrier from which they were moved. Information obtained in connection with such changes to information barriers may limit or restrict the ability of the Investment Manager to engage in or otherwise effect transactions on behalf of the Funds (including purchasing or selling securities that it may otherwise have purchased or sold for a client in the absence of a change to an information barrier). Information barriers may not have their intended impact due to, for example, changes in applicable law or inadvertent crossings of the barriers, and actions by personnel on one side of a barrier may impact the potential actions of personnel on the other side of a barrier.

## 2. Conflicts of interest of the Manager

### *Provider Aladdin*

BlackRock Group uses Aladdin software as a single technology platform across its investment management business. Custodial and fund administration service providers may use Provider Aladdin, a form of Aladdin software, to access data used by the Investment Manager and Manager. Each service provider remunerates BlackRock Group for the use of Provider Aladdin. A potential conflict arises whereby an agreement by a service provider to use Provider Aladdin incentivises the Manager to appoint or renew appointment of such service provider. To mitigate the risk, such contracts are entered on an 'arm's length' basis.

### *Dealing Costs*

Dealing costs are created when investors deal into and out of the ICAV. There is a risk that other investors of the ICAV bear the costs of those joining and leaving. BlackRock Group has policies and procedures in place to protect investors from the actions of others including anti-dilution controls.

## 3. Conflicts of interest of the Investment Manager

### *Timing of Competing Orders*

When handling multiple orders for the same security in the same direction raised at or about the same time, the Investment Manager seeks to achieve the best overall result for each order equitably on a consistent basis taking into account the characteristics of the orders, regulatory constraints or prevailing market conditions. Typically, this is achieved through the aggregation of competing orders. Conflicts of interest may appear if a trader does not aggregate competing orders that meet eligibility requirements, or does aggregate orders that do not meet eligibility requirements; it may appear as if one order received preferential execution over another. For a specific trade instruction of a Fund, there may be a risk that better execution terms will be achieved for a different client. For example, if the order was not included in an aggregation. BlackRock Group has Order Handling Procedures and an Investment Allocation Policy which govern sequencing and the aggregation of orders.

### *Concurrent Long and Short Positions*

The Investment Manager may establish, hold or unwind opposite positions (i.e. long and short) in the same security at the same time for different clients. This may prejudice the interests of the Investment Manager's clients on one side or the other. Additionally, investment management teams across the BlackRock Group may have long only mandates and long-short mandates; they may short a security in some portfolios that are held long in other portfolios. Investment decisions to take short positions in one account may also impact the price, liquidity or valuation of long positions in another client account, or vice versa. BlackRock Group operates a Long Short (side by side) Policy with a view to treating accounts fairly.

### *MNPI*

BlackRock Group companies receive Material Non-Public Information (MNPI) in relation to listed securities in which BlackRock Group companies invest on behalf of clients. To prevent wrongful trading, BlackRock Group erects Information Barriers and restricts trading by one or more investment team(s) concerned in the security concerned. Such restrictions may negatively impact the investment performance of client accounts. BlackRock has implemented a Material Non-Public Information Barrier Policy.

### *Ownership Limitation Risks*

The ICAV may be restricted by law, regulation, or otherwise, in its investment activities due to ownership threshold limits and reporting obligations that operate, in certain regulated industries or in certain international markets. Such restrictions may apply in aggregate to the accounts of clients (including a Fund) of the BlackRock Group and may adversely impact a Fund's performance and its ability to meet its investment objective through missed investment opportunities. The Investment Manager may also seek to make indirect investments (e.g., through FDIs), when permissible, on behalf of a Fund to receive exposure to certain securities in excess of applicable ownership restrictions. This may lead to a Fund incurring additional costs and risks. There may also be limited availability of FDIs that provide indirect exposure to an impacted security. The BlackRock Group manages the conflict by following an Investment and Trading Allocation Policy, designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

Ownership threshold limitations are highly complex. A Fund may be subject to multiple ownership limitations, each impacting various securities held by a Fund. Therefore, despite the Investment Manager's intent to comply or seek permission to exceed them, inadvertent breaches or violations may occur and result in enforcement actions, regulatory restrictions, increased compliance costs, or business restrictions.

In addition to the foregoing, ownership thresholds limits may trigger reporting requirements to governmental and regulatory authorities, and such reports may entail the disclosure of the identity of a Fund or BlackRock's intended strategy with respect to a security or asset of a Fund.

#### *Investment in Related Party Products*

While providing investment management services for a client, the Investment Manager may invest in products serviced by BlackRock Group companies on behalf of other clients. BlackRock may also recommend services provided by BlackRock or its affiliates. Such activities could increase BlackRock's revenue. In managing this conflict, BlackRock seeks to follow investment guidelines and has a Code of Business Conduct and Ethics.

#### *Investment Allocation and Order Priority*

When executing a transaction in a security on behalf of a client, it can be aggregated and the aggregated transaction fulfilled with multiple trades. Trades executed with other client orders result in the need to allocate those trades. The ease with which the Investment Manager can allocate trades to a certain client's account can be limited by the sizes and prices of those trades relative to the sizes of the clients' instructed transactions. A process of allocation can result in a client not receiving the whole benefit of the best priced trade. The Investment Manager manages this conflict by following an Investment and Trading Allocation Policy, which is designed to ensure the fair treatment of all clients' accounts over time.

#### *Fund Look Through*

BlackRock Group companies may have an informational advantage when investing in proprietary BlackRock funds on behalf of client portfolios. Such an informational advantage may lead a BlackRock Group company to invest on behalf of its client earlier than the Investment Manager invests for the ICAV. The risk of detriment is mitigated through BlackRock Group's pricing of units and anti-dilution mechanisms.

#### *Side-by-Side Management: Performance fee*

The Investment Manager manages multiple client accounts with differing fee structures. There is a risk that such differences lead to inconsistent performances levels across client accounts with similar mandates by incentivising employees to favour accounts delivering performance fees over flat or non-fee accounts. BlackRock Group companies manage this risk through a commitment to a Code of Business Conduct and Ethics Policy.

## **5. Securities Lending**

To the extent specified for each Fund in the relevant Supplement, the Funds may engage in securities lending. There are potential conflicts of interests in managing a securities lending program, including but not limited to: (i) a member of BlackRock Group as lending agent may have an incentive to increase or decrease the amount of securities on loan or to lend particular securities in order to generate additional risk-adjusted revenue for BlackRock Group; and (ii) a member of BlackRock Group as lending agent may have an incentive to allocate loans to clients that would provide more revenue to BlackRock Group. As described further below, BlackRock Group seeks to mitigate this conflict by providing its securities lending clients with equal lending opportunities over time in order to approximate pro-rata allocation.

As part of its securities lending program, BlackRock Inc. indemnifies the Funds and certain other clients and/or funds against a shortfall in collateral in the event of borrower default. BlackRock Group's Risk and Quantitative Analytics Group ("RQA") calculates, on a regular basis, BlackRock Group's potential dollar exposure to the risk of collateral shortfall upon counterparty default ("shortfall risk") under the securities lending program for both indemnified and non-indemnified clients. On a periodic basis, RQA also determines the maximum amount of potential indemnified shortfall risk arising from securities lending activities ("indemnification exposure limit") and the maximum amount of counterparty-specific credit exposure ("credit limits") BlackRock Group is willing to assume as well as the program's operational complexity. RQA oversees the risk model that calculates projected shortfall values using loan-level factors such as loan and collateral type and market value as well as specific borrower counterparty credit characteristics. When necessary, RQA may further adjust other securities lending program attributes by restricting eligible collateral or reducing counterparty credit limits. As a result, the management of the indemnification exposure limit may affect the amount of securities lending activity BlackRock Group may conduct at any given point in time and impact indemnified and non-indemnified clients by reducing the volume of lending opportunities for certain loans (including by asset type, collateral type and/or revenue profile).

BlackRock Group uses a predetermined systematic and fair process in order to approximate pro-rata allocation. In order to allocate a loan to a portfolio: (i) BlackRock Group as a whole must have sufficient lending capacity pursuant to the various program limits (i.e. indemnification exposure limit and counterparty credit limits); (ii) the lending portfolio must hold the asset at the time a loan opportunity arrives; and (iii) the lending portfolio must also have enough inventory, either on its own or when aggregated with other portfolios into one single market delivery, to satisfy the loan request. In doing so, BlackRock Group seeks to provide equal lending opportunities for all portfolios, independent of

whether BlackRock Group indemnifies the portfolio. Equal opportunities for lending portfolios does not guarantee equal outcomes. Specifically, short and long-term outcomes for individual clients may vary due to asset mix, asset/liability spreads on different securities, and the overall limits imposed by the firm.

BlackRock may decline to make a securities loan on behalf of a Fund, discontinue lending on behalf of a Fund or terminate a securities loan on behalf of a Fund for any reason, including but not limited to regulatory requirements and/or market rules, liquidity considerations, or credit considerations, which may impact Funds by reducing or eliminating the volume of lending opportunities for certain types of loans, loans in particular markets, loans of particular securities or types of securities, or for loans overall.

## 6. Shareholder meetings and voting rights

The Directors have elected to dispense with the holding of an annual general meeting. One or more Shareholders of the ICAV holding, or together holding, not less than 10% of the voting rights in the ICAV or the auditors of the ICAV may require the ICAV to hold an annual general meeting in that year by giving notice in writing to the ICAV in the previous year or at least one month before the end of that year and the ICAV shall hold the required meeting.

All general meetings of the ICAV will be held in Ireland. 21 days' notice (excluding the day of posting and the day of the meeting) will be given in respect of each general meeting of the ICAV. The notice will specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. The requirements for quorum and majorities at all general meetings are set out in the Instrument of Incorporation. Two members present in person or by proxy will constitute a quorum, save in the case of a meeting of any one Fund or Class where the quorum will be at least two Shareholders who hold at least one third of the Shares of the relevant Fund or Class and in either case if a quorum is not present and the meeting is adjourned one member may constitute the quorum. Under Irish law an ordinary resolution is a resolution passed by a simple majority of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. Under Irish law, the Instrument of Incorporation can be amended only with the agreement of the Shareholders by special resolution.

Each of the Shares entitles the holder to attend and vote at meetings of the ICAV and of the Fund represented by those Shares. The Instrument of Incorporation provides that matters may be determined at meetings of the Shareholders on a show of hands unless a resolution is not passed unanimously on such show of hands, in which case such resolution shall be decided on a poll. Each Shareholder will have one vote on a show of hands. Each Shareholder will be entitled to such number of votes as will be produced by dividing the aggregate Net Asset Value of that Shareholder's shareholding (expressed or converted into the Base Currency and calculated as of the relevant record date and excluding, where appropriate, the impact of any Class currency hedging) by one. The "relevant record date" for these purposes will be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. Where a separate written resolution or general meeting of a particular Class or tranche of Shares is held, in such circumstances, the Shareholders' votes will be calculated by reference only to the Net Asset Value of each Shareholder's shareholding in that particular Class or tranche, as appropriate. In relation to a resolution which in the opinion of the Directors affects more than one Class of Shares or gives or may give rise to a conflict of interest between the Shareholders of the respective Classes, such resolution will be deemed to have been duly passed, only if, in lieu of being passed through a single meeting of the Shareholders of those Classes, such resolution will have been passed at a separate meeting of the Shareholders of each such Class.

## 7. Accounts and Information

The ICAV's accounting period ends on 31 March in each year and semi-annual accounts will be prepared to 30 September in each year.

The ICAV prepares an annual report and audited annual accounts within four months of the end of the financial period to which they relate. In addition, unaudited semi-annual accounts are also prepared within two months of the end of the half year period to which they relate. Copies of the annual audited financial statements and semi-annual accounts will be made available to Shareholders upon request.

Copies of the Instrument of Incorporation, this Prospectus, supplements (if any) and any KIIDs issued in accordance with the UCITS Regulations, annual and semi-annual accounts of the ICAV may be obtained free of charge from the Manager at the address given under the section of this Prospectus headed "Directory".

## 8. Commissions and Rebates

None of the Investment Manager, the Manager and the Funds will provide fees, commissions or other monetary or non-monetary benefits to any distributor.

MiFID II introduces restrictions on the receipt and retention of fees, commissions, monetary and non-monetary benefits

(“inducements”) where firms, regulated by MiFID II, provide clients with portfolio management services or independent investment advice. It also introduces obligations where firms provide clients with other services (such as execution services or restricted investment advice). In such cases, where a firm receives and retains an inducement, it must ensure that the receipt and retention of the inducement is designed to enhance the quality of the relevant service to the client. Where authorised intermediaries are subject to MiFID II and receive and/or retain any inducements, they must ensure that they comply with all applicable legislation, including, those introduced by MiFID II.

As more fully set out in this Prospectus or any Supplement, third party distributors may receive a portion of the fees payable to the Manager by a Fund (and/or of the fees payable to the Investment Manager) or from the Manager’s and/or Investment Manager’s own resources for distribution, shareholder or marketing support services. Any such amounts paid do not increase the amount paid by Shareholders or the relevant Fund. These payments are generally based upon average net assets invested in the Fund attributable to that sub-distributor. The financial arrangements may vary for each sub-distributor.

**APPENDIX D****STOCK EXCHANGES AND REGULATED MARKETS**The Regulated Markets

With the exception of permitted investment in unlisted securities and off-exchange FDI, investment in securities or FDI will be made only in securities or FDI which are listed or traded on stock exchanges and markets listed below in this Prospectus or any Supplement thereto or revision thereof.

The list is currently as follows:

Recognised Investment Exchanges

1. Recognised investment exchanges in any Member State (excluding Malta), Australia, Canada, Hong Kong, Iceland, Japan, Norway, New Zealand, Switzerland, the United Kingdom or the United States.

2. The following recognised investment exchanges:

in Bahrain:	Bahrain Bourse
in Bangladesh	Dhaka Stock Exchange
in Brazil	BM&F BOVESPA S.A.
in Chile	Bolsa de Comercio de Santiago Bolsa Electronica de Chile
in China	Shanghai Stock Exchange Shenzhen Stock Exchange
in Colombia	Bolsa de Valores de Colombia
in Egypt	Egyptian Stock Exchange
in India	Bombay Stock Exchange, Ltd. National Stock Exchange
in Indonesia	Indonesian Stock Exchange
in Israel	Tel Aviv Stock Exchange
in Jordan	Amman Stock Exchange
in The Republic of Korea	Korea Exchange (Stock Market) Korea Exchange (KOSDAQ)
in Kenya	Nairobi Securities Exchange
in Kuwait	Kuwait Stock Exchange
in Malaysia	Bursa Malaysia Securities Berhad Bursa Malaysia Derivatives Berhad
in Mauritius	Stock Exchange of Mauritius
in Mexico	Bolsa Mexicana de Valores
in Morocco	Casablanca Stock Exchange
in Nigeria	Nigeria Stock Exchange
in Oman	Muscat Securities Market

in Pakistan	Karachi Stock Exchange
in Peru	Bolsa de Valores de Lima
in the Philippines	Philippines Stock Exchange
in Poland	Warsaw Stock Exchange
in Qatar	Qatar Exchange
in Russia	Open Joint Stock Company Moscow Exchange MICEX-RTS (Moscow Exchange)
in Saudi Arabia	Tadawul Stock Exchange
in Singapore	Singapore Exchange Limited
in South Africa	JSE Limited
in Sri Lanka	Colombo Stock Exchange
in Taiwan	Taiwan Stock Exchange
in Thailand	Thailand Stock Exchange of Thailand
in Turkey	Istanbul Stock Exchange
in the UAE, Abu Dhabi	Abu Dhabi Securities Exchange
in the UAE, Dubai	Dubai Financial Market NASDAQ Dubai Limited
in Vietnam	Ho Chi Minh Stock Exchange

### Markets

3. The following regulated markets including regulated markets on which FDI may be traded:

- the markets organised by the International Capital Market Association;
- the market conducted by “listed money market institutions” as described in the Bank of England publication “The Regulation of the Wholesale Cash and OTC Derivatives Markets (in Sterling, foreign currency and bullion)”;
- AIM – the Alternative Investment Market in the UK, regulated and operated by the LSE;
- NASDAQ in the United States;
- the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
- the over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority and reportable on TRACE;
- the over-the-counter market in the United States regulated by MarketAxess;
- the over-the-counter market in the United States regulated by National Association Of Securities Dealers (NASD);
- the French market for “Titres de Creance Negotiable” (over-the-counter market in negotiable debt instruments);
- The Korea Exchange (Futures Market);
- The Thailand Futures exchange
- South African Futures exchange
- The Intercontinental Exchange (ICE)
- Taiwan Futures exchange
- the over-the-counter market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organisation of Canada;

- the China Interbank Bond Market;
- any approved derivative market within the European Economic Area on which FDI are traded;
- EUOTLX (Multilateral Trading Facility);
- HI\_MTF (Multilateral Trading Facility);
- NASDAQ OMX Europe (NEURO) (Multilateral Trading Facility);
- EURO MTF for securities (Multilateral Trading Facility);
- MTS Austria (Multilateral Trading Facility);
- MTS Belgium (Multilateral Trading Facility);
- MTS France (Multilateral Trading Facility);
- MTS Ireland (Multilateral Trading Facility);
- NYSE Bondmatch (Multilateral Trading Facility);
- POWERNEXT (Multilateral Trading Facility);
- Tradegate AG (Multilateral Trading Facility).
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan; and
- MarketAxess Europe Limited (Multilateral Trading Facility) (the OTC market in US regulated by MarketAxess only).

The above markets are listed in accordance with the regulatory criteria as defined in the Central Bank UCITS Regulations, it being noted the Central Bank does not issue a list of approved markets or stock exchanges.

## APPENDIX E

## DEPOSITARY DELEGATES

The following third-party delegates have been appointed by the Depositary in the referenced markets as sub-custodians of the assets of the ICAV.

<b>Country/Market</b>	<b>Subcustodian</b>
<b>Argentina</b>	The Branch of Citibank, N.A. in the Republic of, Argentina
<b>Australia</b>	Citigroup Pty Limited
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Austria</b>	UniCredit Bank Austria AG
<b>Bahrain</b>	HSBC Bank Middle East Limited
<b>Bangladesh</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Belgium</b>	The Bank of New York Mellon SA/NV
<b>Bermuda</b>	HSBC Bank Bermuda Limited
<b>Botswana</b>	Stanbic Bank Botswana Limited
<b>Brazil</b>	Citibank N.A., Brazil
<b>Brazil</b>	Itau Unibanco S.A.
<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch
<b>Canada</b>	CIBC Mellon Trust Company (CIBC Mellon)
<b>Cayman Islands</b>	The Bank of New York Mellon
<b>Channel Islands</b>	The Bank of New York Mellon
<b>Chile</b>	Banco de Chile
<b>Chile</b>	Itau Corpbanca S.A.
<b>China</b>	HSBC Bank (China) Company Limited
<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria
<b>Costa Rica</b>	Banco Nacional de Costa Rica
<b>Croatia</b>	Privredna banka Zagreb d.d.
<b>Cyprus</b>	BNP Paribas Securities Services
<b>Czech Republic</b>	Citibank Europe plc, organizacni slozka
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (Publ)
<b>Egypt</b>	HSBC Bank Egypt S.A.E.
<b>Estonia</b>	SEB Pank AS
<b>Eswatini</b>	Standard Bank Eswatini Limited
<b>Euromarket</b>	Clearstream Banking S.A.
<b>Euromarket</b>	Euroclear Bank SA/NV

<b>Finland</b>	Skandinaviska Enskilda Banken AB (Publ)
<b>France</b>	BNP Paribas Securities Services S.C.A.
<b>France</b>	The Bank of New York Mellon SA/NV
<b>Germany</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
<b>Ghana</b>	Stanbic Bank Ghana Limited
<b>Greece</b>	BNP Paribas Securities Services
<b>Hong Kong</b>	Deutsche Bank AG
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Hungary</b>	Citibank Europe plc. Hungarian Branch Office
<b>Iceland</b>	Landsbankinn hf.
<b>India</b>	Deutsche Bank AG
<b>India</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Indonesia</b>	Deutsche Bank AG
<b>Ireland</b>	The Bank of New York Mellon
<b>Israel</b>	Bank Hapoalim B.M.
<b>Italy</b>	The Bank of New York Mellon SA/NV
<b>Japan</b>	Mizuho Bank, Ltd.
<b>Japan</b>	MUFG Bank, Ltd.
<b>Jordan</b>	Standard Chartered Bank, Jordan Branch
<b>Kazakhstan</b>	Citibank Kazakhstan Joint-Stock Company
<b>Kenya</b>	Stanbic Bank Kenya Limited
<b>Kuwait</b>	HSBC Bank Middle East Limited, Kuwait
<b>Latvia</b>	AS SEB banka
<b>Lithuania</b>	AB SEB bankas
<b>Luxembourg</b>	Euroclear Bank SA/NV
<b>Malawi</b>	Standard Bank PLC
<b>Malaysia</b>	Deutsche Bank (Malaysia) Berhad
<b>Malta</b>	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Mexico</b>	Banco Nacional de Mexico S.A. Integrante del Grupo Financiero Banamex
<b>Mexico</b>	Banco S3 Mexico S.A.
<b>Morocco</b>	Citibank Maghreb S.A.
<b>Namibia</b>	Standard Bank Namibia Limited
<b>Netherlands</b>	The Bank of New York Mellon SA/NV

<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Nigeria</b>	Stanbic IBTC Bank Plc.
<b>Norway</b>	Skandinaviska Enskilda Banken AB (Publ)
<b>Oman</b>	HSBC Bank Oman S.A.O.G.
<b>Pakistan</b>	Deutsche Bank AG
<b>Panama</b>	Citibank N.A., Panama Branch
<b>Peru</b>	Citibank del Peru S.A.
<b>Philippines</b>	Deutsche Bank AG
<b>Poland</b>	Bank Polska Kasa Opieki S.A.
<b>Portugal</b>	Citibank Europe Plc
<b>Qatar</b>	HSBC Bank Middle East Limited, Doha
<b>Romania</b>	Citibank Europe plc Dublin, Romania Branch
<b>Russia</b>	AO Citibank
<b>Russia</b>	PJSC ROSBANK
<b>Saudi Arabia</b>	HSBC Saudi Arabia
<b>Serbia</b>	UniCredit Bank Serbia JSC
<b>Singapore</b>	DBS Bank Ltd
<b>Singapore</b>	Standard Chartered Bank (Singapore) Limited
<b>Slovak Republic</b>	Citibank Europe plc, pobočka zahraničnej banky
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.
<b>South Africa</b>	Standard Chartered Bank
<b>South Africa</b>	The Standard Bank of South Africa Limited
<b>South Korea</b>	Deutsche Bank AG
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Spain</b>	Banco Bilbao Vizcaya Argentaria, S.A.
<b>Spain</b>	Santander Securities Services, S.A.U.
<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (Publ)
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd.
<b>Switzerland</b>	UBS Switzerland AG
<b>Taiwan</b>	HSBC Bank (Taiwan) Limited
<b>Tanzania</b>	Stanbic Bank Tanzania Limited
<b>Thailand</b>	The Hongkong and Shanghai Banking Corporation Limited
<b>Tunisia</b>	Union Internationale de Banques

<b>Turkey</b>	Deutsche Bank A.S.
<b>U.A.E.</b>	HSBC Bank Middle East Limited, Dubai
<b>U.K.</b>	Depository and Clearing Centre (DCC) Deutsche Bank AG, London Branch
<b>U.K.</b>	The Bank of New York Mellon
<b>U.S.A.</b>	The Bank of New York Mellon
<b>U.S.A. Precious Metals</b>	HSBC Bank, USA, N.A.
<b>Uganda</b>	Stanbic Bank Uganda Limited
<b>Ukraine</b>	JSC "Citibank"
<b>Uruguay</b>	Banco Itau Uruguay S.A.
<b>Vietnam</b>	HSBC Bank (Vietnam) Ltd
<b>WAEMU</b>	Societe Generale Cote d'Ivoire
<b>Zambia</b>	Stanbic Bank Zambia Limited

**APPENDIX F****SELLING RESTRICTIONS****Ireland**

**The ICAV is both authorised and supervised by the Central Bank of Ireland. The authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus. The authorisation of the ICAV by the Central Bank does not constitute a warranty by the Central Bank as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV.**

**Offer of Shares**

This Prospectus contain the particulars of the offering of Shares in each of the Funds. The offer proceeds will be invested by the Funds in accordance with the investment objectives for those Funds set out below, as amended from time to time.

An updated Prospectus relating to Shares comprising any new Fund will be issued by the Manager at the time of the establishment of that Fund in accordance with the requirements of the Central Bank.

It is intended that application may be made in other jurisdictions to enable the Shares of the Funds to be marketed freely in these jurisdictions.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Ireland, which may be subject to change.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus and the reports referred to above and, if given or made, such information or representation must not be relied upon as having been authorised by the ICAV. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the ICAV have not changed since the date of this Prospectus.

**General notices**

Where the Manager becomes aware that any Shares are directly or beneficially owned by any person in breach of the above restrictions, the Manager may direct the Shareholder to transfer his Shares to a person qualified to own such Shares or to request the Manager to redeem Shares, in default of which, the Shareholder shall, on the expiration of 30 days from the giving of such notice, be deemed to have given a request in writing for the redemption of the Shares.

This Prospectus and any supplements may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus/supplement. To the extent that there is any inconsistency between the English language Prospectus/supplement and the Prospectus/supplement in another language, the English language Prospectus/supplement will prevail, except to the extent (but only to the extent) required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus/supplement on which such action is based shall prevail.

The value of Investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term.

**Restrictions in certain jurisdictions**

The distribution of this Prospectus and the offering and placing of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Fund to make themselves aware of and to observe such restrictions.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Potential investors should inform themselves as to:

- (i) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for the acquisition of Shares;
- (ii) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Shares; and

- (iii) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Shares.

### **Offering in the UK**

Shares may not be offered or sold in the United Kingdom except as permitted by the Financial Services and Markets Act 2000 (as amended) ("FSMA 2000") and the regulations made under it, and this Prospectus may not be communicated to any person in the United Kingdom except in circumstances permitted by FSMA 2000 or those regulations or to a person to whom this Prospectus may otherwise lawfully be issued in the United Kingdom.

The Manager is not authorised to carry on investment business in the United Kingdom and investors are advised that the protections afforded by the United Kingdom regulatory system may not apply to an investment in the ICAV and compensation will not be available under the United Kingdom Financial Services Compensation Scheme.

### **Offering in the United States and Canada**

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the States of the United States. The Shares are being offered and sold solely outside the United States to non-US Persons in reliance on Regulation S of the 1933 Act. The ICAV has not been and will not be registered under the 1940 Act but will be exempt from such registration pursuant to Section 3(c)(7) thereof. The outstanding securities of issuers relying on Section 3(c)(7), to the extent that they are owned by US Persons (or transferees of US Persons), must be owned exclusively by persons who, at the time of acquisition of such securities, are "qualified purchasers" within the meaning of Section 2(a)(51) of the 1940 Act. Any US purchaser of a Fund's Shares must therefore be both a "qualified institutional buyer" under Rule 144A under the 1933 Act and a "qualified purchaser" within Section 2(a)(51) of the 1940 Act. The ICAV is not open for investment by any US Person that would be subject to the 1940 Act, the 1933 Act, the CEA, or US income tax unless: (1) such investment is authorised by the Directors; and (2) prior written consent is obtained from the Manager. Please see below for the definition of US Persons and additional information on the restrictions pertaining to US Persons unless otherwise authorised by the Manager.

Applicants for Shares will be required to certify that they are not US Persons.

The Shares have not been, nor will they be, qualified for distribution to the public in Canada as no prospectus for the ICAV has been filed with any securities commission or regulatory authority in Canada or any province or territory thereof. This document is not, and under no circumstances is to be construed, as an advertisement or any other step in furtherance of a public offering of Shares in Canada. No Canadian Resident may purchase or accept a transfer of Shares unless he is eligible to do so under applicable Canadian or provincial laws.

In order to ensure compliance with the restrictions referred to above, the ICAV is, accordingly, not open for investment by any US Persons (including those deemed to be US Persons under the 1940 Act and/or the CEA and regulations thereunder), ERISA Plans and/or Canadian Residents except in exceptional circumstances and then only with the prior consent of the Manager. A prospective investor may be required at the time of acquiring Shares to represent that such investor is a Qualified Holder and, in particular, is not a US Person or Canadian Resident or acquiring Shares for or on behalf of a US Person or Canadian Resident or with the assets of an ERISA Plan. The granting of prior written consent by the Manager to an investment does not confer on the investor a right to acquire Shares in respect of any future or subsequent application.

Shareholders are required to notify the Manager immediately in the event that they cease to be a Qualified Holder.

## **United States**

### **Definition of US Persons and related information**

#### **Information Related to Definition of US Persons**

(i) Each subscriber for Shares will be required to certify to the Manager, among other things, that the Shares are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any US Person (as defined below) or any non-U.S. person subject to the restrictions described herein. Shareholders are required to notify the Manager immediately of any change in such information. EACH SHAREHOLDER WILL BE REQUIRED TO VERIFY THAT IT IS NOT A US PERSON THAT IS PROHIBITED FROM OWNING SHARES IN THE FUND.

(ii) Each prospective Shareholder is urged to consult with its own advisors to determine the suitability of an investment in the Shares, and the relationship of such an investment to the purchaser's overall investment programme and financial and tax position. By subscribing for Shares, each purchaser of Shares represents that, after all necessary advice and analysis, its investment in the Fund is suitable and appropriate, in light of the foregoing considerations.

(iii) ENTITIES SUBJECT TO THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED, MAY NOT PURCHASE SHARES IN THE FUNDS.

(iv) THE TAX AND OTHER MATTERS DESCRIBED IN THIS PROSPECTUS DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SHAREHOLDERS.

(v) THE ICAV IS NOT REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED. THE INVESTMENT MANAGER IS NOT REGISTERED AS AN INVESTMENT ADVISER UNDER THE U.S. INVESTMENT ADVISERS ACT OF 1940, AS AMENDED.

### **Definition of US Person(s)**

A “US Person” is a person described in any the following paragraphs:

- (i) With respect to any person, any individual or entity that would be a U.S. Person under Regulation S of the U.S. Securities Act of 1933. The Regulation S definition is set forth below. **Even if you are not considered a U.S. Person under Regulation S, you can still be considered a “US Person” within the meaning of this Prospectus under Paragraph 2 and 3, below.**
- (ii) With respect to individuals, any U.S. citizen or “resident alien” within the meaning of U.S. income tax laws as in effect from time to time. Currently, the term “resident alien” is defined under U.S. income tax laws to generally include any individual who (i) holds an Alien Registration Card (a “green card”) issued by the U.S. Immigration and Naturalization Service or (ii) meets a “substantial presence” test. The “substantial presence” test is generally met with respect to any current calendar year if (i) the individual was present in the U.S. on at least 31 days during such year and (ii) the sum of the number of days on which such individual was present in the U.S. during the current year, 1/3 of the number of such days during the first preceding year, and 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days.
- (iii) With respect to persons other than individuals, (i) a corporation or partnership created or organised in the United States or under the law of the United States or any state, (ii) a trust where (a) a U.S. court is able to exercise primary supervision over the administration of the trust and (b) one or more U.S. persons have the authority to control all substantial decisions of the trust and (iii) an estate which is subject to U.S. tax on its worldwide income from all sources.

### **Regulation S Definition of U.S. Person**

1. Pursuant to Regulation S of the U.S. Securities Act of 1933, as amended (the “Act”), U.S. “Person” means:
  - (i) any natural person resident in the United States;
  - (ii) any partnership or corporation organised or incorporated under the laws of the United States;
  - (iii) any estate of which any executor or administrator is a U.S. person;
  - (iv) any trust of which any trustee is a U.S. person;
  - (v) any agency or branch of a foreign entity located in the United States;
  - (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
  - (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or
  - (viii) any partnership or corporation if:
    - (A) organised or incorporated under the laws of any non-U.S. jurisdiction; and
    - (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trusts.

2. Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States shall not be deemed a "U.S. Person".
3. Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a U.S. Person if:
  - (i) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
  - (ii) the estate is governed by non-U.S. law.
4. Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed a U.S. Person if a trustee who is not a U.S. Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. Person.
5. Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a U.S. Person.
6. Notwithstanding (1) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a "U.S. Person" if:
  - (i) the agency or branch operates for valid business reasons; and
  - (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.
7. The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans shall not be deemed "U.S. Persons".

## APPENDIX G

### BENCHMARK DISCLAIMERS

#### Disclaimer for Reference to Benchmark Index and Index Provider Website

In accordance with Central Bank requirements, the Manager, on behalf of Index Tracking Funds, is required to provide details of the relevant index provider's website ("Website") to enable Shareholders obtain further details of the relevant Index Tracking Fund's Benchmark Index (including the index constituents). The Manager has no responsibility for each Website and is not involved in any way in sponsoring, endorsing or otherwise involved in the establishment or maintenance of each Website or the contents thereof. Furthermore, the Manager has no responsibility for the index provider's Benchmark Index nor for the quality, accuracy or completeness of data in respect of their Benchmark Indices nor that the published indices will be managed in line with their described index methodologies.

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