

March 2023

Flexible and sustainable multi-asset investing for charities

Investing has become more challenging against a backdrop of higher volatility, whilst charities are under increased pressure to ensure that their investments are low cost, sustainable, and meet stringent governance requirements.

The BlackRock Charities Growth and Income Fund has been designed with these investment, governance and ethical objectives in mind.

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

Flexible multi-asset approach

The Fund aims to offer a comprehensive investment solution for charity investors. Its objective is to deliver long-term capital growth and a steady income distribution.

Our multi-asset approach seeks opportunities across a broad set of investment strategies, regions and asset classes within a single fund, and in doing so aims to reduce the investment governance burden on Trustees.

Risk: Diversification and asset allocation may not fully protect investors from market risk.

Sustainable investment policy

The Fund's sustainable investment policy is central to its strategy and seeks to align the Fund with the values, ethos and principles of a wide variety of UK charities.

In addition to specific sector exclusions, Environmental, Social and Governance (ESG) criteria will be integrated into the investment process and the Fund will also allocate to ESG themes such as renewable energy.

Risk: The Fund has a more restrictive universe due to its screened approach. A concentrated portfolio could be exposed to greater risk than a more broadly diversified portfolio because each holding is responsible for a greater proportion of the overall portfolio's return potential.

Value for money

BlackRock aims to ensure that the total cost of ownership (i.e. all the charges and costs, including the annual management fee) of our charity funds is competitive.

The Fund is a Charity Authorised Investment Fund (CAIF), which relieves eligible charity investors of VAT payments on the annual management charge and offers exemptions from Stamp Duty, Income Tax and Capital Gains Tax.

Risk: There can be no guarantee that the investment strategy can be successful and the value of investments may go down as well as up. Subject to change. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future.

15+

years managing multi asset charity mandates

Source: BlackRock, March 2023.

17

dedicated investment professionals

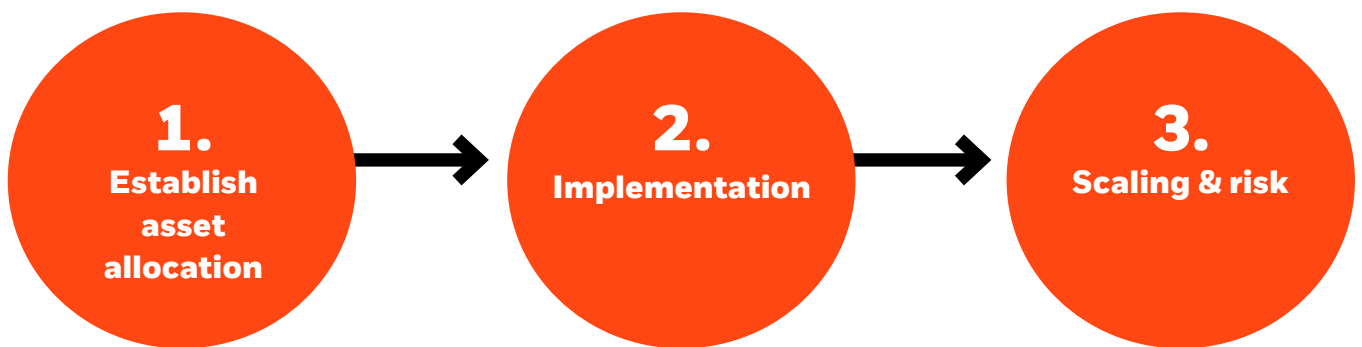
0.50%

ongoing charge

The ongoing charge is the total annual cost to the client and is the sum of the annual management charge and any additional custody or administration charges.

Source: BNYM, data as at March 2023.

Our investment process



Where do we want to invest?

Determine asset class and regional preferences based on our top-down macro view, and apply to the Fund's strategic benchmark†

How do we want to invest?

Broad toolkit allows for targeted implementation of investment views in a way that is consistent with, and advances, the fund's Environmental, Social and Governance policy*

How much do we want to invest?

Leverage BlackRock's Risk and Quantitative Analysis group to ensure all risk is deliberate, diversified, and scaled

Risk: While the investment approach described herein seeks to control risk, risk cannot be eliminated.

* This information should not be relied upon as research, investment advice, or a recommendation regarding any products, strategies, or any security in particular. This is for illustrative and informational purposes and is subject to change. It has not been approved by any regulatory authority or securities regulator.

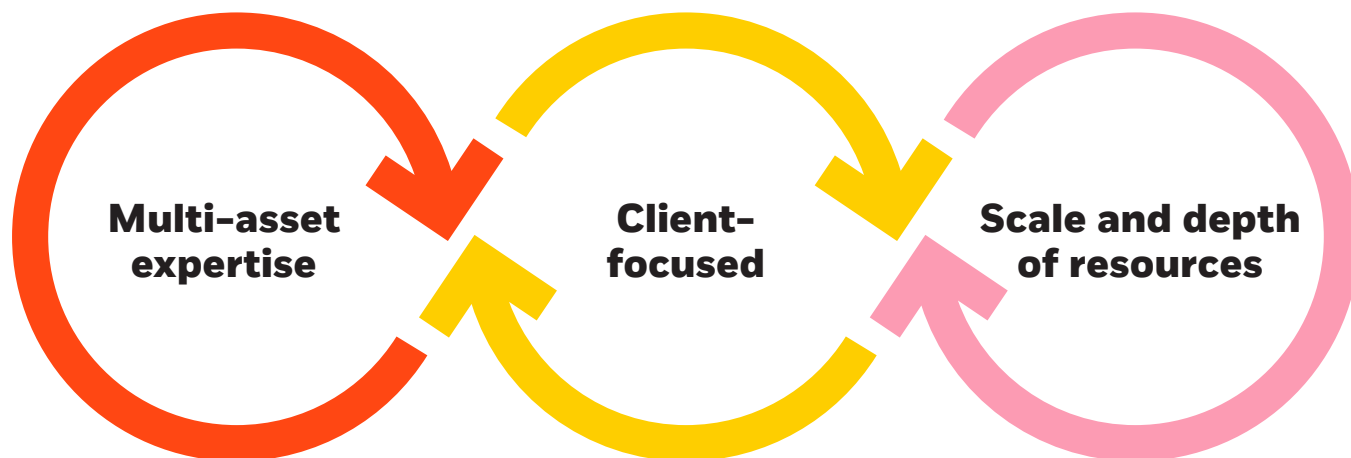
The environmental, social and governance ("ESG") considerations discussed herein may affect an investment team's decision to invest in certain companies or industries from time to time. Results may differ from portfolios that do not apply similar ESG considerations to their investment process.

The Fund incorporates ESG by applying exclusionary screens, integrating ESG considerations when implementing investment views, and investing in ESG themes such as renewable power. Companies are excluded if they derive a larger portion of their turnover than the thresholds, as defined in the prospectus, from industries including: alcohol, armaments, gambling, high interest rate lending, pornography, thermal coal, tar sands and tobacco.

† Strategic benchmark: 30% FTSE All-Share ex Investment Trusts, Tobacco, Aerospace & Defence and Beverages (GBP), 30% MSCI World SRI Index (GBP), 20% Bloomberg Barclays GBP Gilts Index (GBP), 10% IPD All Balanced Funds Property Index (GBP), 10% Cash (3M SONIA compounded in arrears).

Source: BlackRock as at 31 March 2023. For illustrative purposes only. Subject to change.

Why BlackRock for Charities Growth & Income?



The investment team sits at the heart of BlackRock's investment platform and aims to identify attractive risk-adjusted growth opportunities.

At BlackRock, clients come first. It's why we've built a family of charity-focused strategies to give investors the breadth they need to meet their specific needs. BlackRock is one of the leading managers of charitable funds in the UK, with over 30 years' experience* and today manages £5.6bn on behalf of over 3,000 charities. (Source: BlackRock as at 31 December 2022.)

BlackRock's reach gives the investment team access to investment specialists across strategies, styles and regions within BlackRock as well as the power of our Aladdin platform, which combines sophisticated risk analytics with portfolio management, trading, operational tools and ESG analytics on a single platform.

Risk: While proprietary technology platforms may help manage risk, risk cannot be eliminated.

There is no guarantee that a positive investment outcome will be achieved. *Including predecessor companies of BlackRock.

Who may consider this fund?

The Fund may be suitable for charity trustees looking for:

- A daily-dealing, low-cost investment aiming for long-term capital and income growth.
- The opportunity to invest in a well-established, cost effective, ethically aware, multi-asset fund.
- A way to reduce the administrative burden.
- The flexibility to choose from distribution (income pay-out) or accumulation (income reinvestment) units, to achieve the balance of growth and income that best suits your charity's needs.

The investment team

Portfolio Managers



Adam Ryan
Head of Diversified
Strategies,
Portfolio Manager



Conan McKenzie
Portfolio Manager



Lamiaa Chaabi
Portfolio Manager

Subject to change.

To make an investment:

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BlackRock

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Risk warnings

Risk Warnings

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

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

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

Fund-specific risks:

Exchange rate risk: The return of your investment may increase or decrease as a result of currency fluctuations.

Interest rate risk: The fund invests in fixed interest securities such as corporate or government bonds which pay a fixed or variable rate of interest (also known as the 'coupon') and behave similarly to a loan. These securities are therefore exposed to changes in interest rates which will affect the value of any securities held.

Risk to Capital Growth through Distributions: The fund may make distributions from capital as well as income or pursue certain investment strategies in order to generate income. Whilst this might allow more income to be distributed, it may also have the effect of reducing capital and the potential for long-term capital growth.

Important information

BlackRock Charities Funds: BlackRock Charities Funds (the "Trust") is a charity authorised investment fund ("CAIF") regulated as a charity by the Charity Commission for England and Wales and authorised as a non-UCITS retail scheme by the Financial Conduct Authority ('FCA'). The Trust's FCA product reference number is 839484 and the registered charity number is 1182766. The Trust is constituted as an authorised unit trust umbrella scheme. In order to subscribe for units in a Sub-Fund in the umbrella, investors must complete an appropriate application form. Any decision to invest must be based solely on the information contained in the current Prospectus, the most recent financial reports and the Key Investor Document pursuant to the PRIIPs Regulations, which are available on our website. Prospectuses, Key Investor Documents and application forms may not be available to investors in certain jurisdictions where the Trust in question has not been authorised for distribution.

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