

21 November 2024

IMPORTANT INFORMATION

This document is important and requires your immediate attention.

If you are unsure as to the contents of this document, please call the BlackRock Client Services Team on 0800 445522* or +44 (0)207 743 5024* if outside the UK, or consult your financial adviser.

Dear unitholder,

Amendments to the name, investment objective and ESG policy of certain funds within the BlackRock Investment Funds range. ISINs are set out in Schedule I to this letter.

BlackRock continually reviews its fund ranges to ensure that the investment characteristics and positioning of our funds remain both relevant to and consistent with the current investment environment and expectations of our clients.

Background

We are writing to notify you that updates will be made to:

- (i) The name, investment objective and ESG policy of the BlackRock ESG Strategic Growth Fund; and
- (ii) the ESG policy of the BlackRock Systematic Multi Allocation Credit Fund,

(each a “**Fund**” and together the “**Funds**”).

Last November, the Financial Conduct Authority (FCA) issued its Policy Statement PS23/16, ‘Sustainability Disclosure Requirements (SDR) and investment labels’ (the “**Policy Statement**”) which, among other things, contained new rules and guidance applicable to fund managers in relation to the marketing of funds using sustainability-related terms, as well as the introduction of labels for funds seeking to achieve positive sustainability outcomes, if they meet the qualifying criteria. These regulatory changes were implemented by way of updated rules and guidance. The purpose of these new rules generally is to increase transparency on the sustainability goals and features of funds and firms.

In light of the Policy Statement and the FCA’s requirements and expectations more generally, we, in consultation with the Investment Manager of the Funds (Blackrock Investment Management (UK) Limited), have determined to make a number of

clarifications and additions to each Fund's ESG policy and, in respect of the BlackRock ESG Strategic Growth Fund, its name and investment objective.

Updates to the Funds

ESG Policy

As part of its investment process in respect of each Fund, the Investment Manager applies ESG commitments at a portfolio level to its selection of assets. We are making amendments to the ESG policy of each Fund to enhance the information we provide you regarding these ESG commitments.

We will also include a statement in the prospectus to clarify that, whilst the Fund applies ESG commitments within its investment process and monitors the application of these commitments through ESG related metrics, it does not have a specific sustainability goal and the investment strategy of the Funds means they are not able to meet the criteria of any sustainability label.

Name

For the BlackRock ESG Strategic Growth Fund, in addition to the amendments to the ESG policy described above, we will also be: (i) updating the investment objective of the Fund to explicitly refer to the Fund's incorporation of its ESG commitments; and (ii) updating the name of the Fund, as detailed in the table below. This update is being made to provide you with more information regarding the Fund's ESG criteria in the name of the Fund itself.

Current Name	New Name
BlackRock ESG Strategic Growth Fund	BlackRock ESG Screened and Selected Strategic Growth Fund

Further details of the updates summarised above are set out in Schedule II.

As detailed above, these amendments are being made to reflect regulatory requirements and expectations and are not intended to reflect any change to the Funds or how they are managed.

Effective Dates

The revised prospectus of BlackRock Investment Funds reflecting these updates is expected to be published in two stages. The prospectus reflecting the changes to the ESG policy of the BlackRock Systematic Multi Allocation Credit Fund is expected to be published on or around 29 November 2024 and the prospectus reflecting the changes to the name, investment objective and ESG policy of the BlackRock ESG Strategic Growth

Fund is expected to be published on or around 17 December 2024 (the “**Effective Dates**”).

Costs

BlackRock will pay the costs of the unitholder notification. Legal costs as a result of the updates to the ESG policy of each Fund (and, in respect of the BlackRock ESG Strategic Growth Fund, the updates to the name and investment objective of the Fund) shall be borne by the Funds. For the avoidance of doubt, there are not expected to be any portfolio realignment costs or other transaction costs in connection with these updates.

Action to be taken by you

You do not need take any action as a result of this communication.

If you would rather not remain invested in the Fund, you can redeem your units as normal, or alternatively, you can switch your holding into an equivalent unit class (or another unit class which you are eligible to hold) in another fund managed by BlackRock Fund Managers Limited (a “**BlackRock Fund**”). Information on switching can be obtained from our Client Services Team on 0800 445522* or +44 (0)207 743 5024* if outside the UK.

Please note that if you decide to switch your investment to another BlackRock Fund this will constitute a ‘disposal of units’ for capital gains tax purposes and depending on your individual circumstances, may give rise to a tax liability. If you are unsure how this may affect you then you should contact your financial adviser.

IF YOU ARE UNSURE AS TO THE CONTENT OF THIS DOCUMENT, YOU SHOULD CONTACT YOUR FINANCIAL ADVISER.

Further information

A revised prospectus and Key Investor Information Documents will be available from the BlackRock website www.blackrock.com on or around the Effective Dates.

If, after reading this letter, you would like any further information then please speak to your financial adviser, email us at enquiry@ukclientservices.blackrock.com or call our Client Services Team on 0800 445522* or +44 (0)207 743 5024* if outside the UK. Telephone lines are open from 8.30am to 5.30pm, UK time, Monday to Friday.

Yours sincerely

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Tom Hale
Director

BlackRock Fund Managers Limited

*For your protection, telephone calls are usually recorded.

SCHEDULE I**Fund ISINs**

Fund (as currently named, where applicable)	ISINs
BlackRock ESG Strategic Growth Fund	GB00BFBFWY68 GB00BFBFWZ75 GB00BFBFX095
BlackRock Systematic Multi Allocation Credit Fund	GB00BFBFY283 GB00BFBFY390 GB00BFBFY408 GB00BFBFY515 GB00BFBFY622 GB00BFBFY739

SCHEDULE II

Amended investment objective and investment policy (additions in underline and deletions in strikeout):

BlackRock ESG Screened and Selected Strategic Growth Fund:

BlackRock ESG Screened and Selected Strategic Growth Fund is a sub-fund of BlackRock Investment Funds, a UK UCITS scheme under the COLL Sourcebook. The Fund was authorised by the FCA on 14 August 2018 and launched on 28th September 2018. The Fund's FCA product reference number is 822169.

This Fund does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The Fund does not use a sustainability label because whilst the Fund applies ESG commitments within its investment process (as described below), the Fund does not have a specific sustainability goal and the investment strategy of the Fund means it is not able to meet the criteria of any sustainability label.

Investment Objective

The aim of the Fund is to provide, over any period of seven consecutive years, a return on your investment (generated through an increase in the value of the assets held by the Fund and/or income received from those assets) of 4.5% per year (gross of fees) over the Bank of England's Base Interest Rate, ~~in a manner consistent with the principles of environmental, social and governance (ESG) focused investing whilst incorporating the ESG commitments described below.~~

In addition, the Fund aims to manage its portfolio of investments with a view to having a volatility of return (i.e. the degree of fluctuation of the Fund's returns) that is lower than the volatility of the monthly returns (converted into an annual rate) of the MSCI All Country World Index (GBP) over any period of seven consecutive years.

Although the Fund aims to achieve its investment objective, there is no guarantee that this will be achieved. The Fund's capital is at risk, meaning that the Fund could suffer a decrease in value and the value of your investment would decrease as a result.

Investment Policy

In seeking to achieve the investment objective, the Fund will seek to create a diversified portfolio of investments (i.e. hold a variety of investments which typically perform differently to each other), by investing directly or indirectly (i.e. through other investments) in a variety of asset classes globally including equity securities (i.e. shares), equity-related securities (i.e. other investment whose value is related to equities), fixed income securities (i.e. bonds), fixed income-related securities (i.e. other investments whose value is related to debt), money-market instruments (i.e. debt securities with short term maturities), cash and assets that can be turned into cash quickly. The Fund may also invest indirectly in alternative asset classes (such as commodities and property) through investment in index derivatives (i.e. investments the prices of which are based on one or more underlying indices), units

or shares in collective investment schemes (i.e. other investment funds, which may be Associated Funds) or structured securities (i.e. financial instruments backed by certain underlying assets). The Fund will invest in the full range of fixed income securities and money-market instruments, which may include investments with a relatively low credit rating or which are unrated.

The Fund's investment exposures may vary without limit depending on market conditions and other factors at the Investment Manager's discretion. In making its investment decisions, the Investment Manager will typically take a 5 to 7 year investment outlook.

A significant proportion of the Fund's portfolio may consist of derivatives (i.e. investments the prices of which are based on one or more underlying assets) on a daily basis. Derivatives may be used to further the Fund's investment objective, to seek to reduce risk (relevant to the objective of the Fund) within the Fund, reduce investment costs and generate additional income for the Fund (often referred to as "efficient portfolio management" or "EPM").

The Fund may be fully invested in units or shares of collective investment schemes.

~~The Fund's total assets will be invested in accordance with the ESG Policy described below at the time of purchase.~~

ESG Policy

Investment Process and ESG

As part of its investment process, the Investment Manager applies ESG commitments at a portfolio level to its selection of certain asset classes, as identified in the table below.

Portfolio breakdown

a) Corporate issuers (held directly).

b) Collective investment schemes.

c) Other asset classes held for investment purposes (including, but not limited to, any collective investment schemes which are not ESG Funds,

Are ESG commitments applied?

Yes, the Fund will apply the BlackRock EMEA Baseline Screens and other exclusionary screens to all direct investments in corporate issuers (as further detailed below).

Yes, at least 70% of collective investment schemes in which the Fund invests themselves apply ESG criteria within their investment processes (as further detailed below) ("ESG Funds").

No. However, such exposure is not expected to exceed 30% of the Fund's total assets.

government bonds, commodities and volatility strategies) or liquidity purposes (including, but not limited to, derivatives, money market instruments, units or shares in collective investment schemes, cash and assets that can be turned into cash quickly).

BlackRock EMEA Baseline Screens and other exclusionary screens

The Fund will apply the BlackRock EMEA Baseline Screens, as follows:

The Investment Manager will ~~seek to~~ limit and/or exclude (as applicable) direct investment in corporate issuers which, at the time of purchase, in the opinion of the Investment Manager, have exposure to, or ties with, ~~certain~~ the following sectors (in some cases subject to specific revenue thresholds), ~~including but not limited to:~~

- (a) the production of certain types of controversial weapons or nuclear weapons;
- (b) the distribution or production of firearms or small arms ammunition intended for retail to civilians;
- (c) the extraction of certain types of fossil fuel and/or the generation of power from them;
- (d) the production of tobacco products or certain activities in relation to tobacco-related products; and
- (e) issuers which have been deemed to have failed to comply with UN Global Compact Principles.

A full list of the limits and/or exclusions being applied by the Investment Manager at any time in accordance with the above BlackRock EMEA Baseline Screens (including any specific threshold criteria) is available at <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>.

It is the Investment Manager's intention that the BlackRock EMEA Baseline Screens policy will evolve over time as improved data and more research on this subject becomes available. The full list may be amended from time to time at the Investment Manager's discretion and (unless it alters the description in this section) may be implemented without notification to ~~Unitholders~~ unitholders.

In addition to the above BlackRock EMEA Baseline Screens, the Investment Manager will also seek to limit and/or exclude (as applicable) direct investment in corporate issuers which:

- (a) derive more than 5% of their revenue from the production of conventional weapons;

(b) derive more than 5% of their revenue from the manufacturing of alcoholic products;

(c) derive more than 10% of their revenue from the manufacturing, distributing, retailing, licensing, and supplying of alcoholic products;

(d) derive more than 5% of their revenue from ownership or operation of gambling facilities such as casinos, racetracks, bingo parlours, or other betting establishments;

(e) derive more than 10% of their revenue from gambling-related business activities;

(f) derive more than 5% of their revenue from adult entertainment;

(g) derive more than 10% of their revenue from predatory lending;

(h) have an MSCI ESG rating below BBB.

ESG ratings are a measurement of issuers' ability to manage financially relevant ESG risks and opportunities. Each rating takes into consideration an issuer's exposure to potentially material ESG risks, the quality of the issuer's management systems and governance structures relative to those potential ESG risks, and where applicable, how the issuer is positioning to meet market demand for the provision of products and services that have a positive environmental or social contribution.

Should existing holdings, compliant with the above limits and/or exclusions at the time of investment, subsequently become ineligible, they will be divested within a reasonable period of time. ~~To undertake its analysis of the~~ Where the Investment Manager does not have the relevant data to determine if a particular issuer is compliant with the above limits and/or exclusions, that issuer is still eligible for investment. However, if data subsequently becomes available that shows an existing holding is ineligible for investment, it will be divested within a reasonable period of time.

The BlackRock EMEA Baseline Screens and other exclusionary screens described above ESG criteria, are only applied by the Investment Manager ~~may use data generated internally by the Investment Manager and/or its affiliates or provided by one or more third party ESG research providers.~~

In addition to the above, when investing indirectly via ~~to~~ direct investments made by the Fund in corporate issuers and accordingly the Fund may have exposure to other investments (including, but not limited to, derivatives, money market instruments, units or shares in collective investment schemes, the Fund cash and assets that can be turned into cash quickly) which are inconsistent with the BlackRock EMEA Baseline Screens and other exclusionary screens.

ESG criteria applied by ESG Funds

In order to satisfy the ESG commitment with respect to collective investment schemes, the Investment Manager will, in respect of any collective investment

schemes in which it is considering an investment for the Fund, analyse the investment objective and policy of the collective investment scheme and how its investments are selected, including (where relevant) the methodology of any benchmark index that it uses, to identify the ESG criteria (if any) that it applies. The Investment Manager will prioritise investment in ESG Funds over other collective investment schemes with a view to achieving its ESG commitment in relation to ESG Funds (provided those ESG Funds align with the investment objective and policy and strategic asset allocation of the Fund) as set out below.

The ESG criteria may be applied by the ESG Fund tracking, or otherwise using for portfolio construction purposes, a benchmark index that itself applies ESG criteria, or they may be applied by the ESG Fund separately.

When selecting collective investment schemes, the Investment Manager will prioritise investment in ESG Funds that have an ESG objective (including, but not limited to, a carbon reduction target or an improvement in ESG scores) or that avoid or underweight issuers with the lowest ESG scores or ratings and / or include or overweight issuers with the highest ESG scores or ratings.

In the absence of appropriate ESG Funds that have an ESG objective or otherwise apply such an investment approach, the Investment Manager will invest in ESG Funds that, following a similar approach to the application of the BlackRock EMEA Baseline Screens, apply exclusionary screens to issuers which have exposure to, or ties with, certain ~~business areas or sectors~~ ("~~ESG Screened Funds~~" in some cases subject to specific revenue thresholds) (including, but not limited to, activities relating to controversial weapons or nuclear weapons, firearms or small arms ammunition for civilian use, fossil fuels, tobacco or issuers that are non-compliant with the UN Global Compact Principles).

Where the Investment Manager determines that an appropriate ~~SRI Fund, ESG Fund or ESG Screened Fund~~ ESG Fund is not available, it may use investment in other collective investment schemes to achieve its investment objective. However, as set out above, at least 70% of collective investment schemes, and in which the nature and extent of the relevant features will vary between the Fund's investments Fund invests will be ESG Funds.

If the Fund ceases to meet its commitment with respect to ESG Funds at any time, for example because an ESG Fund no longer complies with the ESG criteria described above, the Fund will take steps to rebalance its portfolio to meet the commitment within a reasonable period of time.

Use of data

For the purposes of applying the BlackRock EMEA Baseline Screens and the other exclusionary screens, the Investment Manager will use data from MSCI, although the Investment Manager may, in the future, change the data provider(s) where it considers that a better data source is available. There are certain risks involved with the use of third party data, as further set out in section 24(c)(viii) (Risks relating to the application of ESG criteria) above.

Reporting

Quarterly reporting in relation to the ESG commitments applied by the Fund is available to unitholders on an ongoing basis by request to the Investment Manager, and reporting in relation to these ESG commitments will also be provided in the annual and semi-annual reports of the Fund.

Fund benchmark(s)

Target benchmark: The Bank of England Base Interest Rate plus 4.5% is used by the Investment Manager to assess the performance of the Fund. This benchmark has been chosen because it forms part of the investment objective of the Fund and should be used by unitholders to compare the performance of the Fund. As set out above, the Investment Manager will also use the MSCI All Country World Index as the basis for the Fund's target volatility of return.

BlackRock Systematic Multi Allocation Credit Fund:

BlackRock Systematic Multi Allocation Credit Fund is a sub-fund of BlackRock Investment Funds, a UK UCITS scheme under the COLL Sourcebook. The Fund was authorised by the FCA on 21 June 2019. The Fund's FCA product reference number is 931856.

This Fund does not have a UK sustainable investment label. Sustainable investment labels help investors find products that have a specific sustainability goal. The Fund does not use a sustainability label because whilst the Fund applies ESG commitments within its investment process (as described below), the Fund does not have a specific sustainability goal and the investment strategy of the Fund means it is not able to meet the criteria of any sustainability label.

Investment objective

The Fund aims to deliver over the long-term (seven to ten consecutive years beginning at the point of investment) a return on your investment (generated through an increase to the value of the assets held by the Fund and/or income received from those assets) of 0.3% per annum (gross of fees) over the composite benchmark (i.e. a number of indices averaged together to represent overall performance and risk). The composite benchmark is made up of the following indices, each weighted equally (i.e. each of the indices make up a third of the composite index); Bloomberg Barclays Global Aggregate Corporate GBP Hedged Index, BBG Barclays Global High Yield Index Excl CMBS & EMG 2% Capped GBP Hedged Index and J.P. Morgan EMBI ESG Global Diversified GBP Hedged Index ("Benchmark Indices").

Although the Fund aims to achieve its investment objective, there is no guarantee that this will be achieved. The Fund's capital is at risk meaning that the Fund could suffer a decrease in value and the value of your investment would decrease as a result.

Investment policy

The Fund seeks to achieve the investment objective through active asset allocation (i.e. mix of assets) and credit security (i.e. debt issued by companies and non government entities) selection. The Fund aims to invest at least 70% of its NAV in a globally diversified range of investment grade and non-investment grade (i.e. securities which have a relatively low credit rating or which are unrated) fixed income securities (i.e. both government and corporate bonds).

The Fund may also invest in debt instruments including ~~non-investment grade bonds~~ and emerging market hard currency debt (i.e. debt instruments denominated in currencies of major developed economies, for example, USD, EUR and JPY, which are widely recognised as being highly liquid (i.e. readily converted into other currencies) denominated in, or hedged back (in order to limit currency risk), to the base currency of the Fund. The base currency of the Fund is Sterling. The Fund may also invest in debt related securities (for example, credit bonds issued by government agencies, supranational entities (e.g. the International Bank for Reconstruction and Development) and local authorities, or hybrid securities (i.e.

financial securities which combine both debt and equity characteristics such as convertible bonds)).

The Fund will employ a broadly rules based active approach (i.e. an investment approach involving a clear set of pre-determined rules designed to ensure a consistent, transparent and disciplined investment process incorporating data-driven inputs (which may relate to economics, valuation, price and positioning)). The Investment Manager will use macro-economic data (i.e. data based on the whole economy as opposed to individual asset data), asset valuations and price and positioning based indicators (i.e. indicators employed by the Investment Manager to analyse investor holdings and changes in these holdings over time, in order to assess investor demand and risk appetite in respect of specific asset classes) to determine asset allocation. The Investment Manager will adjust the Fund's asset allocation (at its discretion), compared to the Benchmark Indices, in order to achieve the Fund's overall investment objective.

~~With respect to the global investment grade corporate bonds and non-investment grade bonds portion of the Fund's portfolio, the Investment Manager will also apply ESG screens when selecting the investments to be held by the Fund. The Investment Manager will seek to limit and/or exclude direct investment in issuers within the Benchmark Indices (as well as issuers in which the Fund directly invests) which have exposure to, or ties with, sectors which include, but are not limited to:~~

- ~~1. issuers which are engaged in, or are otherwise exposed to the production of controversial weapons (including but not limited to cluster munitions, biological-chemical, landmine, depleted uranium, blinding laser or incendiary weapons); or~~
- ~~2. issuers deriving any revenue from direct involvement in the production of nuclear weapons or nuclear weapon components, or the provision of auxiliary services related to nuclear weapons; or~~
- ~~3. issuers which produce firearms and small arms ammunition intended for retail to civilians, or derive more than a specific portion of their revenue from the sale of firearms and small arms ammunition to civilians; or~~
- ~~4. issuers deriving more than a specific portion of their revenue from thermal coal extraction and thermal coal based power generation; or~~
- ~~5. issuers deriving more than a specific portion of their revenue from the production and distribution of tar sands and oil sands; or~~
- ~~6. issuers which produce tobacco and/or tobacco related products or which derive more than a specific portion of their revenue from the distribution, retailing and/or licensing of tobacco and/or tobacco related products; or~~
- ~~7. issuers which fail to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anti-corruption); or~~

~~8. issuers involved in such other activities which the Investment Manager has determined (in its absolute discretion) conflict with the Investment Manager's consideration of ESG characteristics.~~

~~To undertake this analysis, the Investment Manager may use data generated internally within the Investment Manager or provided by one or more external ESG research providers. Further information about the ESG screens used by the Investment Manager, including information on how the limits and exclusions (as set out in the above paragraph) are applied, can be obtained from the Investment Manager on request. The Fund's asset allocation will not be solely driven by this analysis, rather such considerations will be utilised by the Investment Manager in determining whether an investment may be appropriate for the Fund.~~

The Fund may also invest in other asset classes to give the Fund the best chance of achieving its investment objective and/or for liquidity purposes. These other asset classes include collective investment schemes (i.e. other investment funds which may be Associated Funds), cash, assets that can be turned into cash quickly and deposits.

Derivatives (i.e. investments the prices of which are based on one or more underlying assets) may be used to help achieve the Fund's investment objective. Derivatives may also be used to seek to reduce risk (relevant to the investment objective) within the Fund, reduce investment costs and generate additional income for the Fund (often referred to as "efficient portfolio management" or "EPM").

Investment Process and ESG

BlackRock EMEA Baseline Screens

The Fund will apply the BlackRock EMEA Baseline Screens, as follows:

The Investment Manager will limit and/or exclude (as applicable) direct investment in corporate issuers which, at the time of purchase, in the opinion of the Investment Manager, have exposure to, or ties with, the following sectors (in some cases subject to specific revenue thresholds):

(a) the production of certain types of controversial weapons or nuclear weapons;

(b) the distribution or production of firearms or small arms ammunition intended for retail to civilians;

(c) the extraction of certain types of fossil fuel and/or the generation of power from them;

(d) the production of tobacco products or certain activities in relation to tobacco-related products; and

(e) issuers which have been deemed to have failed to comply with UN Global Compact Principles.

Should existing holdings, compliant with the above limits and/or exclusions at the time of investment subsequently become ineligible, they will be divested within a reasonable period of time.

The BlackRock EMEA Baseline Screens described above are only applied by the Investment Manager to direct investments made by the Fund in corporate issuers and accordingly the Fund may have exposure to other investments (including, but not limited to, derivatives, money market instruments, units or shares in collective investment schemes, cash and assets that can be turned into cash quickly) which are inconsistent with the BlackRock EMEA Baseline Screens. However, such exposure is not expected to exceed 20 per cent. of the Fund's total assets.

A full list of the limits and/or exclusions being applied by the Investment Manager at any time in accordance with the above BlackRock EMEA Baseline Screens (including any specific threshold criteria) is available at <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>.

It is the Investment Manager's intention that the BlackRock EMEA Baseline Screens policy will evolve over time as improved data and more research on this subject becomes available. The full list may be amended from time to time at the Investment Manager's discretion and (unless it alters the description in this section) may be implemented without notification to unitholders.

Use of data

For the purposes of applying the BlackRock EMEA Baseline Screens, the Investment Manager will use data from MSCI, although the Investment Manager may, in the future, change the data provider(s) where it considers that a better data source is available. There are certain risks involved with the use of third party data, as further set out in section 24(c)(viii) (Risks relating to the application of ESG criteria) above.

Fund Benchmarks

Target Benchmark: The composite of the Benchmark Indices is used by the Investment Manager to assess the performance of the Fund. The Fund's aim is to outperform the composite benchmark performance of the Benchmark Indices. The Benchmark Indices have been chosen because they form part of the investment objective of the Fund and they represent the investment universe of the Fund. The Benchmark Indices should be used by unitholders to compare the performance of the Fund.