BlackRock Retirement Income 2040 Fund
Institutional Shares | BRIEX
Annual Shareholder Report — December 31, 2024

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This annual shareholder report contains important information about BlackRock Retirement Income 2040 Fund (the "Fund") for the period of January 1, 2024 to December 31, 2024. You can find additional information about the Fund at **blackrock.com/fundreports**. You can also request this information by contacting us at (800) 441-7762.

What were the Fund costs for the last year?

(based on a hypothetical $10,000 investment)

Class name	Costs of a $10,000 investment	Costs paid as a percentage of a $10,000 investment
Institutional Shares	$26[a]	0.25%[a]

[a] Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.

How did the Fund perform last year?

- For the reporting period ended December 31, 2024, the Fund's Institutional Shares returned 7.21%.
- For the same period, the Bloomberg U.S. Aggregate Bond Index returned 1.25% and the MSCI World Index returned 18.67%.

What contributed to performance?

Given the positive returns across the financial markets in 2024, most segments of the portfolio contributed to absolute returns. U.S. equities and infrastructure stocks helped results, as did floating rate loans, commercial mortgage-backed securities / non-agency mortgage-backed securities, high yield bonds, and preferred stocks. Investment-grade corporate bonds, emerging-market stocks, and emerging-market debt also made smaller, but nonetheless positive, contributions.

The Fund held derivatives during the year. Its use of covered calls (intended as an alternative source of income) and currency management strategies both aided performance.

The Fund's cash position was modestly elevated at the end of the period given attractive yields and the investment adviser's desire to have cash available to deploy if asset prices decline. The cash position contributed to absolute returns.

What detracted from performance?

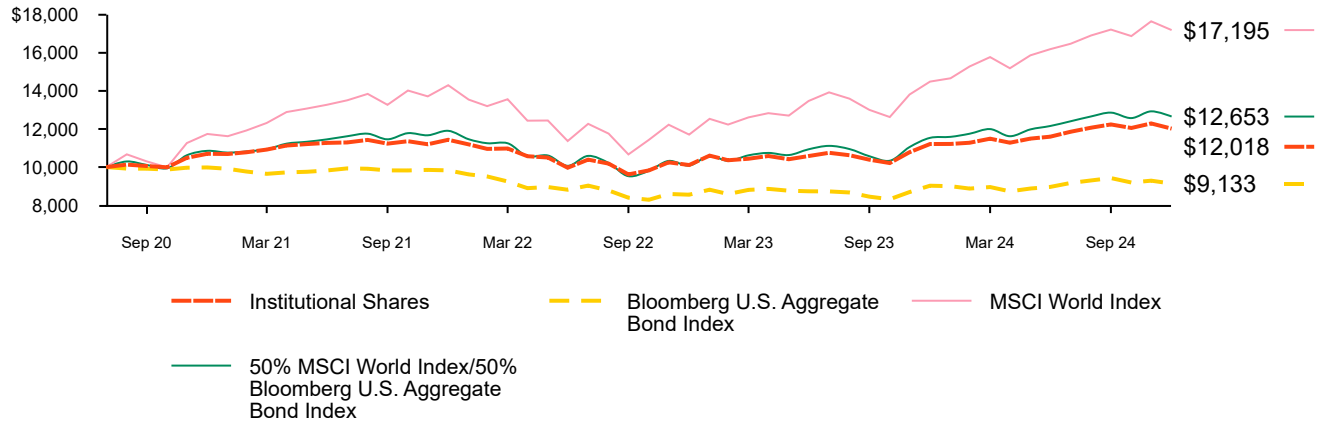
The Portfolio's exposure to rate-sensitive assets such as U.S. Treasuries and Euro bunds, which it achieved through the use of derivatives, detracted from absolute performance. Its use of U.S. equity derivatives (futures and options) to manage overall risk levels was a slight detractor, as well. International developed-market equities also detracted due to the impact of individual security selection.

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

Fund performance

Cumulative performance: July 31, 2020 through December 31, 2024

Initial Investment of $10,000



See "Average annual total returns" for additional information on fund performance.

Average annual total returns

	1 Year	Since Fund Inception
Institutional Shares	7.21%	4.25%
Bloomberg U.S. Aggregate Bond Index	1.25	(2.03)
MSCI World Index	18.67	13.06
50% MSCI World Index/50% Bloomberg U.S. Aggregate Bond Index	9.70	5.47

Key Fund statistics

Net Assets	$4,624,915
Number of Portfolio Holdings	2
Net Investment Advisory Fees	$0
Portfolio Turnover Rate	-%

The Fund commenced operations on July 31, 2020.

Past performance is not an indication of future results. Performance results may include adjustments made for financial reporting purposes in accordance with U.S. generally accepted accounting principles. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. Visit **blackrock.com** for more recent performance information.

What did the Fund invest in?

(as of December 31, 2024)

Portfolio composition

Investment Type	Percent of Affiliated Investment Companies
Fixed-Income Funds	97.8%
Short-Term Securities	2.2

Additional information

If you wish to view additional information about the Fund, including but not limited to financial statements, the Fund's prospectus, and proxy voting policies and procedures, please visit **blackrock.com/fundreports**. For proxy voting records, visit **blackrock.com/proxyrecords**.

Householding

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

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