

BlackRock Health Sciences Term Trust (BMEZ)

BlackRock®

Commentary for Fourth Quarter 2023

The views expressed reflect the opinions of BlackRock as of 12/31/2023 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.

BlackRock Health Sciences Term Trust (BMEZ) Quarterly Highlights

All information is as of 12/31/2023 unless otherwise noted

Performance: BMEZ returned +3.7% on market price and +6.9% on net asset value (NAV) during the fourth quarter of 2023. The MSCI ACWI SMID Growth Healthcare Call Overwrite Index returned +11.2%. *

Distributions: The portfolio's distribution rate based on market price was 7.5% annualized and has paid a total of \$5.93 since inception. NAV of \$17.91 per share plus the \$5.93 cumulative distributions paid equals \$23.84 per share, as compared to the Trust's \$20 per share IPO price. **

Effective with the distribution declared on 10/2/2023, BMEZ will pay monthly distributions at an annual rate of 6% of the Trust's 12-month rolling average daily NAV to be calculated 5 business days prior to declaration date. **

Portfolio: During the quarter, the Trust increased exposure to the medical devices & supplies, pharmaceuticals, and health care providers & services sub-sectors. Elsewhere, the Trust decreased exposure to the biotechnology sub-sector.

Private Investments: BMEZ held 21 private companies that accounted for 7.8% of the portfolio.

Share Repurchases: The Trust seeks to enhance shareholder value by purchasing its shares when trading at a discount to their NAV per share. BMEZ has repurchased approximately \$96 million of its shares, generating approximately \$18 million in accretion to the Trust's NAV. ***

Liquidity at NAV: There will be a liquidity event at NAV for Trust shareholders, either at the Dissolution Date or in connection with an Eligible Tender Offer. To increase awareness of this contingent limited term structure, BMEZ's name changed to "BlackRock Health Sciences Term Trust" on April 5, 2023. ¹

¹ BMEZ has a contingent limited term structure and will offer investors a liquidity event at net asset value either at the Dissolution Date (as indicated below) or in connection with an Eligible Tender Offer (as discussed below). The Trust intends to dissolve on or about January 29, 2032 (the "Dissolution Date") in accordance with its Agreement and Declaration of Trust; provided that the Board of Trustees of the Trust (the "Board") may vote to extend the Dissolution Date: (i) once for up to one year, and (ii) once for up to an additional six months, to a date up to and including eighteen months after the initial Dissolution Date (which date shall then become the Dissolution Date). Each holder of common shares would be paid a pro rata portion of the Trust's net assets upon dissolution of the Trust. The Board may also vote to cause the Trust to conduct a tender offer, as of a date within twelve months preceding the Dissolution Date (as may be extended as described above), to all common shareholders to purchase 100% of the then outstanding common shares of the Trust at a price equal to the NAV per common share on the expiration date of the tender offer (an "Eligible Tender Offer"). The Trust must have at least \$200 million of aggregate net assets immediately following the completion of an Eligible Tender Offer to ensure the continued viability of the Trust. Following the completion of an Eligible Tender Offer, the Board may vote to eliminate the Dissolution Date without shareholder approval and provide for the Trust's perpetual existence. If an Eligible Tender Offer would result in the Trust having aggregate net assets below \$200 million, the Eligible Tender Offer will be canceled, and the Trust will dissolve on its Dissolution Date. **The Trust is not a so called "target date" or "life cycle" fund whose asset allocation becomes more conservative over time as its target date, often associated with retirement, approaches. In addition, the Trust is not a "target term" fund and thus does not seek to return its initial public offering price per common share upon dissolution.**

* See page 5 for performance table. Source: Morningstar & BlackRock as of 12/31/23. Returns are shown net of advisory fees paid by the Trust and net of the Trust's operating fees and expenses. **As of the Trust's annual report dated 12/31/2022, the Trust's gross expense ratio is 1.32%.** Investors who purchase shares of the Trust through an investment adviser or other financial professional may separately pay a fee to that service provider. **Past performance is not indicative of future results.** The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted, and numbers may reflect small variances due to rounding.

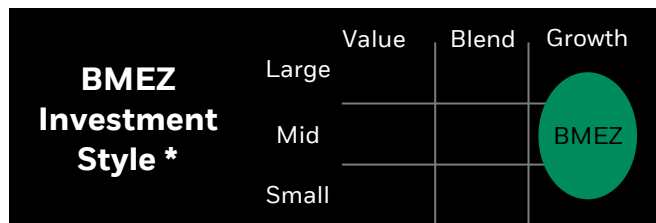
** See Page 8 for further information. Distribution rate is calculated by annualizing the Trust's latest declared regular distribution and dividing that number by the Trust's market price as of 12/31/2023. The distribution rate is calculated net of expenses. BMEZ's estimated source of distributions paid during the current fiscal year to date is 100% return of capital as of 12/31/2023. The amounts and sources of distributions reported are only estimates and are not provided for tax reporting purposes. **Past performance does not guarantee or indicate future results.**

BMEZ has announced changes to its distribution rate under its managed distribution plan ("Plan"). The Trust has adopted a Plan to support a level distribution of income, capital gains and/or return of capital. Effective with the distribution to be declared on October 2, 2023, the Trust will pay monthly distributions to shareholders at an annual rate of 6% of the Trust's 12-month rolling average daily net asset value to be calculated 5 business days prior to declaration date. For example, the October 2023 distribution will be calculated based on the average net asset value from September 23, 2022 to September 22, 2023. Each month this formula will be applied, and the distribution per share will be re-set and announced on the distribution declaration date. The annual distribution rate is subject to change at the discretion of each Trust's Board of Trustees. Under its Plan, each Trust will distribute all available investment income to its shareholders, consistent with its investment objectives and as required by the Internal Revenue Code of 1986, as amended. If sufficient investment income is not available for a monthly distribution, a Trust will distribute long-term capital gains and/or return capital to its shareholders in order to maintain its stated annual distribution rate under the Plan. Shareholders should not draw any conclusions about a Trust's investment performance from the terms of the Trust's Plan, which is to provide shareholders with a level distribution. The amounts and sources of distributions for tax reporting purposes will depend upon each Trust's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Trust will send you a Form 1099-DIV for the calendar year that will tell you how to report distributions for federal income tax purposes.

*** Share repurchase data is provided by BlackRock as of 12/31/2023 and reflects share repurchases since the Trust's inception. The amount and timing of any repurchases under the Trust's Repurchase Program will be determined at the discretion of the Trust's management. There is no assurance that the Trust will repurchase shares in any particular amounts. The Trust's repurchase activity will be disclosed in its shareholder report for the relevant fiscal period. Any repurchases made under the Trust's Repurchase Program will be made on a national securities exchange at the prevailing market price, subject to exchange requirements and certain volume and timing limitations and other regulations under federal securities laws.

Investing in next generation healthcare companies

The BlackRock Health Sciences Term Trust (BMEZ) is a closed-end fund (“CEF”) that takes a unique approach to investing in the healthcare sector by blending “next generation” healthcare stocks and private investments along with a tactical single-stock option-writing strategy. The Trust will invest in equity securities issued by mid- and small-capitalization companies that the adviser believes has above-average earnings growth potential.



BlackRock believes that changing demographics, advancements in technology, and emerging global wealth provide a backdrop for structural growth in the healthcare space. With an aging population, increased life spans should translate to increased healthcare spending in the years to come. In addition, we are also seeing technological advancements like artificial intelligence, digital health and robotics, that are changing the way we approach healthcare. Finally, we believe that emerging global wealth should translate into greater healthcare spending worldwide. BMEZ seeks to invest in these themes through both publicly traded and private companies.

Distribution Key Points ¹

2023 Distribution Months	Total of the 3 Monthly Distributions per Share	Since Inception Distribution per Share	Annualized Distribution Rate as of 12/31/2023 ¹
October, November, December	\$0.28	\$5.93	7.5%

BMEZ may earn its distribution from various sources, including 1) appreciation of portfolio holdings, 2) proceeds from the sale (or writing) of call options on portfolio holdings and 3) return of capital. If BMEZ’s earnings are less than distributions paid, a portion of the distribution may be considered return of capital.

Understanding return of capital: BMEZ invests in mid- and small-capitalization healthcare companies that typically pay low or no dividend income. This may result in a portion of BMEZ’s distribution being classified as return of capital, which is an accounting term to describe any part of the distribution not attributable to either income or capital gains.

Importantly, prior capital losses can be used to offset current capital gains, which may result in return of capital from a tax perspective, effectively reducing the tax liability for shareholders.**

* For illustrative purposes only. See page 7 for more details on market capitalization.

** The information provided here is neither tax nor legal advice. Investors should speak to their tax professional for specific information regarding their tax situation.

1) See page 8 for further information. Distribution rate is calculated by annualizing the Trust’s latest declared regular distribution and dividing that number by the Trust’s market price as of 12/31/2023. The distribution rate is calculated net of expenses. BMEZ’s estimated source of distributions paid during the current fiscal year to date is 100% return of capital. The amounts and sources of distributions reported are only estimates and are not provided for tax reporting purposes.

2) See page 3 for further information and private investment disclosure.

Private investments²

Access to private equity

- CEFs may pursue investment strategies that focus on a broader opportunity set, including less liquid and private investments that may offer differentiated return and income profiles.
- Taking advantage of this structure, BMEZ seeks to invest up to 25% of its portfolio (at time of investment) in private investments.
- The companies we seek are typically younger and more growth-oriented. Many of them do not have clear public company competitors and are pursuing entirely new and innovative strategies.

Private equity holdings

- During Q4 2023, the Trust added additional capital to one of our private investments, **Abcuro**, a clinical stage biotechnology company that develops therapies for autoimmune diseases and cancer. There were no liquidity events among the Trust’s holdings.
- At the end of the quarter, BMEZ held 21 private companies with a combined valuation of \$151 million or 7.8% of the portfolio.
- The Trust had a total commitment of \$548 million to private investments since inception (includes current holdings and investments with liquidity events).
- The team continues to perform due diligence on multiple new opportunities and aims to further increase exposure to private assets over the coming quarters.

Private equity outlook

- Our private investments have not been immune to the challenged environment that has pressured public equities over the past several quarters. Increased IPO (initial public offering) and M&A (mergers and acquisitions) activity could be an encouraging sign and would help companies raise capital. However, uncertainty lingers and has adversely impacted the Trust’s performance as private valuations have been marked down and exit strategies for some of our companies have been prolonged.
- We continue to seek opportunities to harvest the illiquidity premium by taking advantage of the “closed” structure and adding exposure to private investments as capacity increases.

Private investments in BMEZ:¹

Investment Quarter	Company	Industry	Investment Amount (\$m)*	Current Market Value (\$m)*	Current Phase
Q2 2020	Goldfinch	Biotechnology	\$4.50	\$1.30	Private
Q2 2020	Insitro	Pharmaceuticals	\$8.60	\$10.40	Private
Q4 2020	EverlyWell, Inc.	Healthcare Providers & Services	\$10.00	\$3.80	Private
Q4 2020	Neurogene	Biotechnology	\$9.60	\$7.20	Private
Q1 2021	Cellarity, Inc.	Biotechnology	\$14.60	\$8.10	Private
Q1 2021	OnKure, Inc.	Biotechnology	\$7.00	\$5.50	Private
Q1 2021	Nucleix Limited	Medical Devices & Supplies	\$6.90	\$6.40	Private
Q2 2021	Numab Therapeutics	Biotechnology	\$7.70	\$7.50	Private
Q2 2021	Bright Peak Therapeutics	Biotechnology	\$8.00	\$3.20	Private
Q2 2021	Nikang Therapeutics	Biotechnology	\$8.00	\$4.30	Private
Q2 2021	PSI Quantum	Semiconductors	\$15.00	\$16.30	Private
Q2 2021	Quanta Dialysis Tech	Healthcare Providers & Services	\$14.20	\$7.80	Private
Q2 2021	eXo Imaging, Inc	Medical Devices & Supplies	\$13.20	\$6.00	Private
Q3 2021	Carbon Health Technology	Healthcare Providers & Services	\$17.10	\$14.90	Private
Q3 2021	Laronde, Inc	Biotechnology	\$13.50	\$13.50	Private
Q3 2021	Swift Health Systems	Medical Devices & Supplies	\$6.40	\$1.70	Private
Q4 2021	Mirvie, Inc	Biotechnology	\$6.30	\$5.00	Private
Q3 2023	ADARx Pharmaceuticals	Pharmaceuticals	\$7.20	\$7.20	Private
Q3 2023	Genesis Therapeutics	Biotechnology	\$7.00	\$7.00	Private
Q3 2023	Abcuro, Inc	Biotechnology	\$6.00	\$6.00	Private
Q3 2023	Kartos Therapeutics	Biotechnology	\$7.50	\$7.50	Private

Shaded areas are for illustrative purposes only.

1) For the Private investments shown: These investments were selected to illustrate the Trust's private investments made since the inception of the Trust. The investments shown should not be considered a recommendation to purchase or sell a particular investment. The information above is not a prediction of future performance or any assurance that comparable investment opportunities will be available at the time of investment. It is non-representative of all underlying investments made by the investment team and it should not be assumed that the investment team will invest in comparable investments, or that any future investments made by the investment team will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the investment team's other investments will be profitable or will be as profitable. **Past performance is not indicative of future results**

* As of 12/31/2023. Figures are sourced from BlackRock and deemed to be accurate. Figures are unaudited. Only private company values are listed. Private companies that have gone public, merged or been acquired are not shown. For full holdings see the [Shareholder Report](#).

Performance

The Trust returned +6.9% on net asset value and +3.7% on market price over Q4 2023, underperforming its benchmark, the MSCI Custom ACWI SMID Growth Health Care Call Overwrite Index, which returned +11.2%.¹

Global equity markets experienced strong performance in the fourth quarter with the MSCI All Country World Index returning +11.0%. Interest rate expectations fell sharply over the quarter, and markets reacted positively to the US Federal Reserve Bank's (Fed) guidance of interest rate cuts in 2024. In the US, economic data revealed a cooling inflation and labor market environment. However, wage growth continued to be inconsistent with the Fed's 2% policy target for inflation. In the EU, inflation normalized but the European Central Bank (ECB) continued to maintain a cautious view as wage growth remained elevated. In contrast with the US, Euro-zone central bankers indicated that interest rates will remain restrictive for as long as necessary to curb inflation. The Bank of Japan (BOJ) maintained interest rates and elected to keep the yield curve steady. BOJ Governor Ueda stated that the region still faced a high degree of macroeconomic uncertainty and as such the BOJ will opt for a patient approach to monetary policy.

From an earnings perspective, the healthcare sector broadly exceeded market expectations. The pharmaceuticals sub-sector reported strong results on the back of increased demand for GLP-1 (glucagon-like peptide) weight loss treatments. Notably, GLP-1 market leaders Novo Nordisk and Eli Lilly delivered resounding earnings beats, driven by high demand for their flagship weight loss drugs.² Medical device companies also largely topped expectations as they cited easing macroeconomic conditions and an increase in elective surgical procedures.³

M&A activity saw an uptick as incumbent pharmaceutical companies look to bolster their offerings ahead of future patent expirations. AstraZeneca, Bristol-Myers Squibb, and AbbVie announced biotechnology acquisitions over the period with total biopharmaceutical deal value up more than 35% in 2023 compared to the year prior.⁴

The FDA approved two gene therapies treating sickle cell disease: Casgevy and Lyfgenia. Casgevy, codeveloped by Vertex Pharmaceuticals and CRISPR Therapeutics, is the first approved treatment in the US using CRISPR gene-editing technology. Lyfgenia, created by Bluebird Bio, operates similarly to Casgevy but differs in its approach by inserting a health gene into the patient's DNA rather than removing the detrimental genetic material.⁵

Contributors to Performance *

Biopharmaceutical companies with robust product pipelines saw positive price reactions over the period. On an individual stock basis, an overweight position in **Rhythm Pharmaceuticals** was the top contributor to relative

performance as the company delivered a Q3 earnings beat, driven by the expansion of its appetite regulation treatment, IMCIVREE.⁶ Weight management medications have surged in demand as increasing research shows their efficacy beyond obesity, extending to chronic conditions such as heart disease and diabetes.⁷

Overweight positions in **Blueprint Medicines** and **Immunocore** were also top contributors to performance as the biotechnology companies reported continued sales growth in each of their flagship franchises. Blueprint Medicines produces AYVAKIT, the first and only FDA approved treatment for indolent systemic macrocytosis, which experienced 90% year-over-year sales growth in Q3.⁸ Similarly, Immunocore's stock rose after reporting strong for KIMMTRAK, their specialized eye cancer treatment.⁹

Similarly, market participants rewarded positive clinical trial results anticipating strong growth as a result of these innovative treatments. An overweight position in **Nuvalent** was a top contributor as the biotechnology company reported positive results from its ARROS-1 clinical trial which showed that the company's NVL-520 drug was effective in treating non-small cell lung cancer.¹⁰

Detractors from Performance *

US growth stocks outperformed over the period in response to the Fed signaling easing interest rates. Generally considered a value stock, an off-benchmark position in health insurance provider **UnitedHealth Group** was a detractor from relative returns as market participants rotated out of defensive, value-oriented companies in favor of higher growth exposure.¹¹ An off-benchmark position in **Sanofi** was another detractor from returns after the French pharmaceutical giant provided negative near-term guidance. The company missed Q3 earnings expectations and lowered its previous operating margin target, citing a new corporate strategy to increase spending on its drug development program and spin-off its consumer health care business.¹²

From a regional perspective, an off-benchmark position in **Adicon Holdings** was a detractor from relative performance due to deteriorating macroeconomic sentiment in China. The decline in the Chinese medical device stock paralleled a boarder downturn in the Hong Kong market, reflective of China's challenges with subdued economic growth and a distressed real estate sector.¹³

Finally, an off-benchmark position in **ArgenX** detracted from relative performance after the biotechnology company reported two failed clinical trials for the expansion of its autoimmune treatment, Vyvgart Hytrulo. However, the company maintains conviction in its Vyvgart franchise as it anticipates the medication being active in treating 15 different autoimmune disease variants by 2025.¹⁴

* References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. BlackRock may or may not own the securities referenced and, if such securities are owned, no representation is being made that such securities will continue to be held. The holdings mentioned in the commentary represent the largest contributors and detractors to performance relative to the benchmark. They are not representative of all underlying investments made by the manager on behalf of the strategy, and it should not be assumed that the manager will invest in these investments or in comparable investments, or that any future investments made by the manager will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the strategy will be profitable or will be as profitable.

¹ Returns are shown net of advisory fees paid by the Trust and net of the Trust's operating fees and expenses. Investors who purchase shares of the Trust through an investment adviser or other financial professional may separately pay a fee to that service provider. **Past performance is not indicative of future results.** The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted, and numbers may reflect small variances due to rounding.

²Fierce Pharma 11/28/23. ³Reuters 11/02/23. ⁴Axios 12/28/23. ⁵Food & Drug Administration 12/08/23. ⁶Yahoo Finance 11/07/23 ⁷Reuters 11/21/23 ⁸Yahoo Finance 10/26/23 ⁹Yahoo Finance 11/09/23 ¹⁰Nuvalent 10/28/23 ¹¹Yahoo Finance 12/18/23 ¹²Reuters 10/27/23 ¹³Reuters 10/25/23 ¹⁴Fierce Pharma 11/01/23

BMEZ performance summary

	1-Year	Since Inception (annualized)	Q4 2023
Total Return (NAV)	4.04%	4.16%	6.91%
Total Return (Market Price)	5.05%	-0.62%	3.68%
MSCI ACWI SMID Growth Healthcare Call Overwrite Index	4.08%	- *	11.17%

Source: Morningstar as of 12/31/2023. The Trust's inception was 1/29/2020. Returns are shown net of advisory fees paid by the Trust and net of the Trust's operating fees and expenses. **As of the Trust's shareholder report dated 12/31/2022, the Trust's gross expense ratio is 1.32%.** Investors who purchase shares of the Trust through an investment adviser or other financial professional may separately pay a fee to that service provider. **Past performance is not indicative of future results.** The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted, and numbers may reflect small variances due to rounding. MSCI ACWI SMID Growth Healthcare Call Overwrite Index is an index representing the Health Care sector stocks within the MSCI ACWI SMID Cap Growth Index and incorporating an option overlay component with a 25% overwrite level. Indexes are unmanaged and index performance is shown for illustrative purposes only. It is not possible to invest directly in an index.

* The benchmark commenced on March 31, 2022 and therefore the benchmark does not have a Since Inception return.

Investment Outlook

Despite broad equity market performance in 2023, we continue to navigate an uncertain political and economic environment. We seek opportunities in segments with attractive valuations, stable growth, and promising product pipelines over the medium-to-long term. We also consider new innovations and technological developments for selective growth opportunities in the biotechnology, pharmaceuticals, and medical devices space.

We continue to invest in healthcare companies with compelling innovations within a variety of themes. Within oncology, the Trust is optimistic regarding the development of Antibody Drug Conjugates (ADCs), a targeted oncology treatment. The Team believes that this technology can improve outcomes for individuals suffering from certain cancers. Similarly, advances in minimally invasive procedures continue to enhance patient outcomes and may present attractive investment opportunities. The technology can enable smaller incisions and more rapid patient recovery times for neurosurgery, cancer surgery, and endovascular surgery, among others.

We expect continued market volatility, and we are encouraged by the healthcare sector's relative resilience. We seek attractive opportunities in potential cash flow generating companies across all healthcare industries.

Over the long-term, secular drivers for the sector remain in place; firstly, aging demographics in both developed and developing countries and secondly, innovation in medical technology. The combination of these secular trends, with favorable valuation creates an attractive long-term investment opportunity.

Premium / Discount

The net asset value (NAV) of a closed-end fund is based on the cumulative market value of the portfolio holdings, while fluctuations in supply and demand can cause a Trust's market price to dislocate from its NAV.

When a Trust's market price is higher than its NAV, the Trust trades at a premium. Conversely, when the market price is lower than NAV, it trades at a discount.

As of 12/31/2023 BMEZ traded at a -18.2% discount.

Portfolio Positioning

During the quarter, we increased exposure to the medical devices & supplies sub-sector, adding to names with what we believe are healthy fundamentals and attractive valuations following multiple contraction after the readout from the SELECT GLP-1 study¹ earlier in the year. We also increased exposure to select healthcare providers & services companies whose valuations seem to have been impacted by the Medicare Advantage reimbursement changes.

Elsewhere, we decreased our exposure to the biotechnology sub-sector, taking profit on select names while also trimming exposure to biopharmaceutical companies with less active product pipelines.

At the end of the period, the Trust held 41% of NAV in biotechnology, 36% in medical devices & supplies, 11% in healthcare providers & services, and 8% in the pharmaceuticals industry. These industry exposures were a result of bottom-up stock selection.

Option activity **

BMEZ Options	
% of portfolio overwitten	25.3%
% out of the money	6.8%
Days average maturity	57 Days

The Trust utilizes an option writing (selling) strategy seeking to manage risk, generate current gains from options premiums, and enhance risk-adjusted returns.

The team maintained the call option writing strategy during the period. The option strategy employs a dynamic call writing process focused on single stocks to allow for the combination of cash flow and capital appreciation. These call options were typically written at prices above the prevailing market prices.

This includes using multiple option positions diversified across strike prices and expiration dates while taking into account changes in market conditions affecting option pricing.

The Trust continues to seek opportunities to generate option premiums during periods of heightened volatility.

1) Source: 8/10/2023 American College of Cardiology. SELECT: Semaglutide Reduces Risk of MACE in Adults With Overweight or Obesity.

** Source: BlackRock as of 12/31/23. Definitions: "% of portfolio overwitten:" Represents the amount of the portfolio represented by the notional value of covered call options. These options generate cash flow via a premium received, potentially offsetting the impact of a specific stock price drop. "% out of the money:" Represents the amount in which the option's strike price is higher than the current market price. If a covered stock's price rises above the strike price, it will limit the profitability of that holding to the amount of that strike price. "Average Maturity:" The average length of the option contracts in the Trust.

BMEZ Portfolio/Trust Statistics*

7.5% Market price distribution rate ¹	25% % of NAV overwritten with options	146 Number of public holdings	8% % of NAV in Private investments	11% Earnings growth rate ²
---	---	--	--	--

1) See page 8 for further information. Distribution rate is calculated by annualizing the Trust's latest declared regular distribution on 12/31/2023 and dividing that number by the Trust's market price as of the same day. The distribution rate is calculated net of expenses. BMEZ's estimated source of distributions paid during the current fiscal year to date is 100% return of capital as of 12/31/2023. The amounts and sources of distributions reported are only estimates and are not provided for tax reporting purposes. **Past performance does not guarantee or indicate future results.**

2) As of 12/31/2023. Source BlackRock. BMEZ seeks to invest in growth companies and earnings growth is a measure that is commonly used to measure growth. "Earnings growth rate" represents the 5-year historical change in profit expressed in annualized terms for the public companies in the portfolio. **Past performance does not guarantee or indicate future results.**

Top 10 holdings

(as % of portfolio assets)

Company Name	Industry	Position Size
Biomarin Pharmaceutical	Biotechnology	2.1%
Cencora	Health Care Distributors	2.1%
Align Technology	Health Care Supplies	2.0%
Amgen	Biotechnology	2.0%
Cooper Companies	Health Care Supplies	2.0%
Novo Nordisk	Pharmaceuticals	1.8%
Steris	Health Care Equipment	1.8%
Intuitive Surgical	Health Care Equipment	1.8%
Bio-Techne	Life Sciences Tools & Services	1.7%
Blueprint Medicines	Biotechnology	1.6%

Source: BlackRock as of 12/31/2023.

Sector breakdown *

(as % of portfolio assets)

Sector	Portfolio	Benchmark*
Biotechnology	41.1%	25.6%
Medical Devices & Supplies	36.4%	41.7%
Life Sciences Tools & Services	15.6%	15.6%
Health Care Equipment	15.3%	18.2%
Health Care Supplies	5.5%	7.9%
Health Care Providers & Services	11.4%	20.9%
Managed Health Care	4.6%	3.1%
Health Care Distributors	3.0%	1.9%
Health Care Services	2.6%	5.5%
Health Care Technology	0.9%	3.1%
Health Care Facilities	0.3%	7.3%
Pharmaceuticals	9.5%	11.9%
Non Healthcare	1.0%	

Source: BlackRock as of 12/31/2023.

* Benchmark is the MSCI ACWI SMID Growth Health Care Call Overwrite Index

BMEZ Portfolio/Trust Statistics*

Geography breakdown *

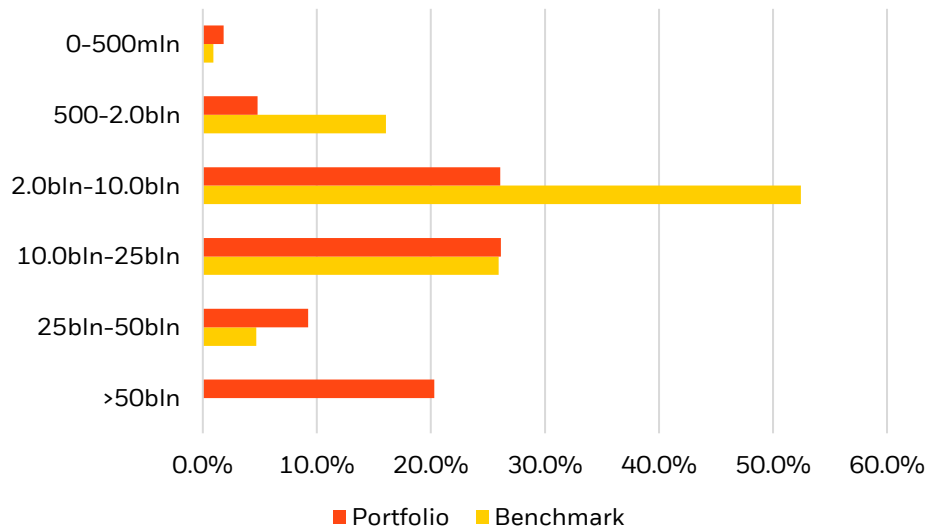
(as % of portfolio assets)

Country	Portfolio	Benchmark*
United States	78.5%	58.8%
Netherlands	3.5%	1.0%
United Kingdom	3.3%	2.6%
Denmark	2.6%	1.3%
China	2.4%	3.1%
Germany	2.3%	1.5%
Switzerland	2.3%	3.7%
Ireland	1.8%	0.2%
France	1.3%	0.9%
Canada	1.0%	0.4%
Belgium	0.3%	0.2%
Jersey, Channel Islands	0.2%	0.1%
Japan	0.0%	6.0%
Other	0.0%	20.1%

Source: BlackRock as of 12/31/2023. *Other" includes Australia, Bermuda, Brazil, Cayman Islands, Costa Rica, Egypt, Finland, France, Hong Kong, Hungary, India, Indonesia, Israel, Italy, Korea (South), Republic of, Luxembourg, Malaysia, New Zealand, Norway, Qatar, Saudi Arabia, Singapore, South Africa, Spain, Sweden, Taiwan, Thailand, and Turkey.

Market cap breakdown *

(as a % of portfolio assets)



Source: BlackRock as 12/31/2023.

* Benchmark is the MSCI ACWI SMID Growth Healthcare Call Overwrite Index

The Trust has adopted a managed distribution plan (the “Plan”) to support a monthly distribution of income, capital gains and/or return of capital, based on an annual rate of 6% of the Trust’s 12-month rolling average daily net asset value calculated 5 business days prior to declaration date of each distribution. **The amounts distributed per share or distribution rate, as applicable, are subject to change at the discretion of the Trust’s Board of Directors/Trustees.** Under its Plan, the Trust will distribute all available net income to its shareholders, consistent with its investment objectives and as required by the Internal Revenue Code of 1986, as amended (the “Code”). If sufficient income (inclusive of net investment income and short-term capital gains) is not available on a monthly basis, the Trust will distribute long-term capital gains and/or return capital to its shareholders.

The Trust’s estimated sources of the distributions paid this month and for their current fiscal year are as follows:

Estimated Allocations as of December 20, 2023

Trust	Distribution	Net Income	Net Realized Short-Term Gains	Net Realized Long-Term Gains	Return of Capital
BMEZ ¹	\$0.091600	\$0 (0%)	\$0 (0%)	\$0 (0%)	\$0.091600 (100%)

Estimated Allocations for the fiscal year through December 20, 2023

Trust	Distribution	Net Income	Net Realized Short-Term Gains	Net Realized Long-Term Gains	Return of Capital
BMEZ ¹	\$1.582470	\$0 (0%)	\$0 (0%)	\$0 (0%)	\$1.582470 (100%)

¹The Trust estimates that it has distributed more than its income and net-realized capital gains in the current fiscal year; therefore, a portion of your distribution may be a return of capital. A return of capital may occur, for example, when some or all of the shareholder’s investment is paid back to the shareholder. A return of capital distribution does not necessarily reflect the Trust’s investment performance and should not be confused with ‘yield’ or ‘income’. When distributions exceed total return performance, the difference will reduce the Trust’s net asset value per share.

The amounts and sources of distributions reported are only estimates and are being provided to you pursuant to regulatory requirements and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon each Trust’s investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The Trust will send you a Form 1099-DIV for the calendar year that will tell you how to report these distributions for federal income tax purposes.

Trust Performance and Distribution Rate Information:

Trust	Average annual total return (in relation to NAV) for the 5-year period ending on 11/30/2023	Annualized current distribution rate expressed as a percentage of NAV as of 11/30/2023	Cumulative total return (in relation to NAV) for the fiscal year through 11/30/2023	Cumulative fiscal year distributions as a percentage of NAV as of 11/30/2023
BMEZ*	2.87%	6.63%	(2.79)%	8.99%

* Portfolio launched within the past 5 years; the performance and distribution rate information presented for this Trust reflects data from inception to 11/30/2023.

Shareholders should not draw any conclusions about a Trust’s investment performance from the amount of the Trust’s current distributions or from the terms of the Trust’s Plan.

All investments involve risk, including the possible loss of the principal amount invested.

Important information about the Trust

This document and the information contained herein relates solely to BlackRock Health Sciences Tern Trust (BMEZ). The information contained herein does not relate to, and is not relevant to, any other Trust or product sponsored or distributed by BlackRock or any of its affiliates. **This document is not an offer to sell any securities and is not a solicitation of an offer to buy any securities.**

Carefully consider the Trust's investment objective, risk factors, and charges and expenses before investing. This and other information can be found in the Trust's prospectus and shareholder report, as applicable, which may be obtained by visiting the SEC Edgar database. Read the prospectus and shareholder report carefully before investing.

Common shares for the closed-end fund identified above are only available for purchase and sale at current market price on a stock exchange. A closed-end fund's dividend yield, market price and NAV will fluctuate with market conditions. The information for this Trust is provided for informational purposes only and does not constitute a solicitation of an offer to buy or sell Trust shares.

*References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. BlackRock may or may not own securities referenced and, if such securities are owned, no representation is being made that such securities will continue to be held. The holdings mentioned in the commentary represent the largest contributors and detractors to performance relative to the benchmark. They are not representative of all underlying investments made by the manager on behalf of the strategy, and it should not be assumed that the manager will invest in these investments or in comparable investments, or that any future investments made by the manager will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the strategy will be profitable or will be as profitable. Companies mentioned are top or bottom contributors to return this quarter.

Performance results reflect past performance and are no guarantee of future results. Current performance may be lower or higher than the performance data quoted. All returns assume reinvestment of all dividends. The market value and net asset value (NAV) of a Trust's shares will fluctuate with market conditions. Closed-end funds may trade at a premium to NAV but often trade at a discount.

Health Sciences Industry Risk. The Trust's investment policies, including its fundamental policy of concentrating its investments in companies operating in one or more industries within the health sciences group of industries, and investment focus may subject it to more risks than Trusts that are more broadly diversified over companies with differing characteristics and operating in numerous sectors of the economy. General changes in market sentiment towards health sciences companies may adversely affect the Trust, and the performance of health sciences companies may lag behind the broader market as a whole. Also, the Trust's investments may subject it to a variety of risks, which may cause the value of the common shares of the Trust to fluctuate significantly over relatively short periods of time. For more information on these and other risks associated with investments in the health sciences sector, including particular risk considerations for health sciences companies, biotechnology and pharmaceutical companies, managed care, life sciences and tools industries, healthcare technology, healthcare services, healthcare supplies, healthcare facilities, healthcare equipment, healthcare distributors and healthcare REITs, see "Risks—Health Sciences and Healthcare companies Risk" in the Trust's shareholder report.

Risks Associated with the Trust's Options Strategy. The ability of the Trust to generate current gains from options premiums and to enhance the Trust's risk-adjusted returns is partially dependent on the successful implementation of its options strategy. There are several risks associated with transactions in options on securities. For example, there are significant differences between the securities and options markets that could result in an imperfect correlation between these markets, causing a given transaction not to achieve its objectives. A decision as to whether, when and how to use options involves the exercise of skill and judgment, and even a well-conceived transaction may be unsuccessful to some degree because of market behavior or unexpected events.

Restricted and Illiquid Investments Risk. The Trust may invest without limitation in illiquid or less liquid investments or investments in which no secondary market is readily available or which are otherwise illiquid, including private placement securities. The Trust may not be able to readily dispose of such investments at prices that approximate those at which the Trust could sell such investments if they were more widely traded and, as a result of such illiquidity, the Trust may have to sell other investments or engage in borrowing transactions if necessary to raise cash to meet its obligations. Limited liquidity can also affect the market price of investments, thereby adversely affecting the Trust's NAV and ability to make dividend distributions. The financial markets in general, and certain segments of the mortgage-related securities markets in particular, have in recent years experienced periods of extreme secondary market supply and demand imbalance, resulting in a loss of liquidity during which market prices were suddenly and substantially below traditional measures of intrinsic value. During such periods, some investments could be sold only at arbitrary prices and with substantial losses. Periods of such market dislocation may occur again at any time. Privately issued debt securities are often of below investment grade quality, frequently are unrated and present many of the same risks as investing in below investment grade public debt securities.

There is no assurance that the Trust will achieve its investment objective. The Trust is subject to numerous risks, including investment risks discussed above. The Trust is not a complete investment program and you may lose money investing in the Trust. An investment in the Trust may not be appropriate for all investors.

The amounts and sources of distributions reported in any notices are only estimates and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for tax reporting purposes will depend upon the Trust's investment experience during the remainder of its fiscal year and may be subject to change based on tax regulations. The Trust will send a Form 1099-DIV for the calendar year that will tell how to report these distributions for federal income tax purposes.

Some BlackRock Trusts make distributions of ordinary income and capital gains at calendar year end. Those distributions temporarily cause extraordinarily high yields. There is no assurance that a Trust will repeat that yield in the future. Subsequent monthly distributions that do not include ordinary income or capital gains in the form of dividends will likely be lower.

Index Definitions:

MSCI ACWI SMID Growth Health Care Call Overwrite Index: An index representing the Healthcare sector stocks within the MSCI ACWI SMID Cap Growth Index. An index that captures mid and small-cap securities exhibiting overall growth style characteristics across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries.

© 2024 BlackRock, Inc. or its affiliates. All Rights Reserved. **BLACKROCK** is a trademarks of BlackRock, Inc. or its affiliates. All other trademarks are those of their respective owners.

Prepared by BlackRock Investments, LLC, member FINRA.

Not FDIC Insured • May Lose Value • No Bank Guarantee

BlackRock