

THE POWER OF ALTS, THE CONVENIENCE OF AN ETF

iShares
by BlackRock

Meet **IALT** – the iShares Systematic Alternatives Active ETF

The BlackRock Systematic Investing team is an industry leader¹ in liquid alternatives with high performing funds like BDMIX. Now, with IALT, the team brings its expertise to the ETF wrapper – same team, new strategy, with the convenience of an ETF.

BDMIX

BlackRock Global Equity Market Neutral Fund

Equity Market Neutral

Globally diversified market neutral relative value through long and short stock positions

Mutual fund

December 20, 2012

18.86%
(3-yr. annualized return)

0.11

Portfolio manager

BlackRock Systematic Investing

Morningstar category

Investment objective

Vehicle

Inception date

Investment return

3-year annualized beta² to S&P 500

IALT

NEW!

iShares Systematic Alternatives Active ETF

Multi-Strategy Alternative

Multi-strategy with dynamic security selection across equities, credit and macro exposures

ETF

December 9, 2025

8.45%
(return since 12/9/25 inception)

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Source: Morningstar, as of March 31, 2026. **The performance quoted represents past performance and is no guarantee of future results.**

BlackRock Systematic Investing

AI first movers turning data into alpha³

FIRST-MOVER

40-year systematic track record
15 years using AI and LLMs

MASSIVE DATA SETS

analyzed per year
40,000 earnings calls
>1.5M analyst reports
>2.5B mobile app downloads

STAYING AHEAD OF THE PACK

200-person team keeps our signals fresh
1000+ investment signals used
50 new signals per year (avg.)

Raffaele Savi

Global Head of BlackRock Systematic Investing



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It is commonly said that **investing is both art and science**. The ‘art’ part is this idea that some things are too hard to quantify.

But the explosion of **machine learning and AI has transformed investing**, making things once considered only open to qualitative analysis now approachable with quantitative analysis.”

1. Morningstar as of 3/31/2026. BlackRock liquid alternative mutual funds have raised \$6.9B over the last 12 months, more than any other alternative mutual fund asset manager.

2. Source: Beta measures a fund's sensitivity to market movements. A beta greater than 1 is more volatile than the market, a beta less than 1 is less volatile than the market.

3. Source: BlackRock as of 5/31/2025. Subject to change; all figures are approximate. BlackRock began using natural language processing in 2007 and integrating AI and machine learning in 2013, while broader mainstream adoption began around 2022 with the launch of ChatGPT. Alpha is the excess return of a fund relative to the return of a benchmark.

Why IALT?

Three strategies that work together to capitalize on today's increased dispersion

What's going on in the markets?

Rising micro and macro dispersion

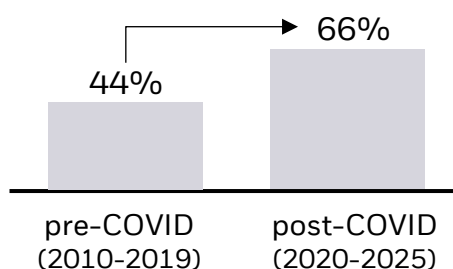
3 ways IALT seeks to capitalize on it

MICRO DISPERSION

Individual security dispersion

(within markets)

Avg. annual total return difference between the top half and the bottom half of the MSCI ACWI Index

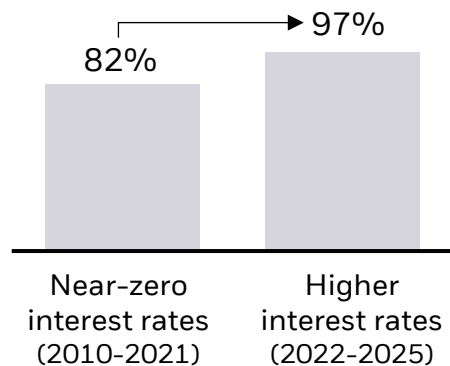


MACRO DISPERSION

Country dispersion

(across markets)

Avg. annual total return difference between the best and worst performing countries in the MSCI ACWI Index



DYNAMIC MACRO

Capture dispersion across macro assets

RELATIVE VALUE

Capture dispersion across company returns

DIRECTIONAL ALLOCATION

Capture market upside-potential through active positioning

Source: BlackRock, with data from FactSet as of 12/31/2025. Annual stock dispersion is calculated by taking the average total return of the top half performers of the MSCI ACWI Index (above or equal to the median) and subtracting the average of the bottom half. The stock dispersion chart shows the average of the annual dispersion observations across each period. Annual country dispersion is calculated by taking the top performing country and subtracting the bottom performing country. The country dispersion chart shows the average difference across the defined periods. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.



iShares Systematic Alternatives Active ETF

1. Expanded opportunity set

IALT seeks to capitalize on higher dispersion across and within markets by combining multiple alternatives strategies in a single portfolio.

2. Build portfolio resilience

Targets return streams less dependent on market direction, helping to enhance diversification as a complement to traditional stock and bond allocations.

3. Alternatives meets access

Built by BlackRock's Systematic team with 30+ years of experience managing hedge funds and liquid alternatives—delivered in a transparent, liquid ETF wrapper.

Historical performance

		Standardized performance as of 3/31/26					
		Q1 2026	1-yr.	3-yr.	5-yr.	10-yr.	Since inception
BDMIX	BlackRock Global Equity Market Neutral Fund (Inst.)	4.32%	17.46%	18.86%	11.32%	7.28%	--
IALT	iShares Systematic Alternatives Active ETF	7.18%	--	--	--	--	8.45%

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, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.blackrock.com. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns. Beginning August 10, 2020, market price returns for BlackRock and iShares ETFs are calculated using the closing price and account for distributions from the fund. Prior to August 10, 2020, market price returns for BlackRock and iShares ETFs were calculated using the midpoint price and accounted for distributions from the fund. The midpoint is the average of the bid/ask prices at 4:00 PM ET (when NAV is normally determined for most ETFs). The returns shown do not represent the returns you would receive if you traded shares at other times.

Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing. Investing involves risk, including possible loss of principal.

Actively managed funds do not seek to replicate the performance of a specified index, may have higher portfolio turnover, and may charge higher fees than index funds due to increased trading and research expenses. There is no guarantee that active funds will meet their investment objective. Alternative investments present the opportunity for significant losses and some alternative investments have experienced periods of extreme volatility. Alternative investments may be less liquid than investments in traditional securities.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in the value of debt securities. Credit risk refers to the possibility that the debt issuer will not be able to make principal and interest payments. International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets and in concentrations of single countries.

Diversification and asset allocation may not protect against market risk or loss of principal. Funds that concentrate investments in specific industries, sectors, markets or asset classes may underperform or be more volatile than other industries, sectors, markets or asset classes and the general securities market. The fund may engage in active and frequent trading, resulting in short-term capital gains or losses that could increase an investor's tax liability.

Investing in commodity-linked derivatives and commodity-related companies may increase volatility. Price movements are outside of the Fund's control and may be influenced by weather and climate conditions, livestock disease, war, terrorism, political conflicts and economic events, interest rates, currency and exchange rates, government regulation and taxation. Commodity futures trading may be illiquid. In addition, suspensions or disruptions of market trading in the commodities markets and related futures markets may adversely affect the value of the Fund.

Investing in digital assets involves significant risks due to their extreme price volatility and the potential for loss, theft, or compromise of private keys. The value of the investment is closely tied to acceptance, industry developments, and governance changes, making them susceptible to market sentiment. A disruption of the internet or a digital asset network would affect the ability to transfer digital assets, and, consequently, would impact their value.

There is no guarantee that the use of quantitative models will result in effective investment decisions for a Fund.

AI technology relies on large data sets, which can lead to inaccuracies. Companies in AI face competition, rapid obsolescence, and depend on demand from various industries. Regulatory scrutiny could limit AI development, with data collection facing closer examination and potential fines. Country-specific regulations could also impact AI and big data companies.

A fund's use of derivatives may reduce a fund's returns and/or increase volatility and subject the fund to counter party risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that any fund's hedging transactions will be effective. Short-selling entails special risks. If the fund makes short sales in securities that increase in value, the fund will lose value. Any loss on short positions may or may not be offset by investing short-sale proceeds in other investments.

This information should not be relied upon as research, investment advice, or a recommendation regarding any products, strategies, or any security in particular. This material is strictly for illustrative, educational, or informational purposes and is subject to change.

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