iShares
by BlackRock

- **iShares ETF II (CH)**
- **Umbrella Fund under Swiss Law of the "Other Funds for Traditional Investments" Type**
- **Prospectus with Integrated Fund Contract**
- July 2022
- Distribution in Switzerland and Liechtenstein

**Part 1: Prospectus**

This prospectus with integrated fund contract, the key information document (KID) or equivalent and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the subfunds.
Only the information contained in the prospectus, the key information document (KID) or equivalent or in the fund contract will be deemed to be valid. BlackRock Asset Management Schweiz AG as the fund management company is responsible for the content of this prospectus and declares that to the best of its knowledge, the information contained in this prospectus is accurate and no material facts have been omitted.

## 1 Information on the Umbrella Fund and the Subfunds

### 1.1 Establishment of the Umbrella Fund and the Subfunds in Switzerland

The Fund Contract of the iShares ETF II (CH) is divided into the following subfunds:

**a) iShares Gold ETF (CH)**
**b) iShares Gold CHF Hedged ETF (CH)**
**c) iShares Gold EUR Hedged ETF (CH)**

The fund contract was originally drawn up by Credit Suisse Funds AG, Zurich, as fund management company and with the agreement of Credit Suisse AG, Zurich, as custodian bank, and submitted to the Swiss Financial Market Supervisory Authority ("FINMA"). The fund contract was first approved by FINMA on August 30, 2009.
As of February 2nd 2015 Credit Suisse Funds AG was replaced by BlackRock Asset Management Schweiz AG as fund management company, and Credit Suisse AG was replaced by State Street Bank International GmbH, Munich, Zurich branch, as custodian bank.
The subfunds are subject to the usual market fluctuations. Historical performance is no guarantee of the subfunds' future returns.

### 1.2 Tax Regulations Relevant to the Subfunds

The umbrella fund and the subfunds have no legal personality in Switzerland. They are not subject to tax on income or capital. Distributions of income made by the subfunds (to investors domiciled in Switzerland and abroad) are subject to Swiss federal withholding tax (source tax) at 35%. Any capital gains paid on a separate coupon are not subject to withholding tax. Owing to the economic characteristics of the precious metal and the fact that fees and costs are incurred on an ongoing basis, actual distributions should not be expected.
The Swiss federal withholding tax deducted from the subfunds' domestic income can be reclaimed in full for the subfunds by the fund management company.
Investors domiciled in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.
Investors domiciled outside Switzerland may reclaim withholding tax under the terms of any double taxation treaty between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.
The issuing and redemption of units in the fund are exempt from stamp duty. The trading of units on the secondary market is subject to stamp duty.
Furthermore, both earnings and capital gains, whether distributed or reinvested, and depending on the person who holds the units either directly or indirectly, may be subject wholly or in part to a so-called paying agency tax (e.g. compensatory withholding tax, EU savings tax, or Foreign Account Tax Compliance Act (FATCA)).
This tax information is based on the current legal situation and practice in Switzerland. It is subject to changes in legislation, the decisions of the courts, and the decrees and practices of the tax authorities.
**Taxation and other tax implications for investors who hold, buy or sell fund units are defined by the tax laws and regulations in the investor's country of domicile. For information on such matters, investors should consult their tax advisor.**

The tax status of the umbrella fund and the subfunds is as follows:

Compensatory withholding tax:
This investment fund is not transparent with respect to compensatory withholding tax in Austria, i.e. the compensatory withholding tax deducted is not based on the specific tax factors for the investment fund (fund reporting) but is calculated using an alternative method.

EU savings tax:
The income distributed and/or the interest realized on the sale or redemption of units is not subject in Switzerland to EU savings tax.

**Foreign Account Tax Compliance Act and other cross border reporting systems**
The subfunds are classified as "registered deemed compliant collective investment vehicles (CIV)" within the meaning of the agreement between Switzerland and the United States on cooperation to simplify the implementation of FATCA "Swiss/US IGA". The fund management company (Fondsleitung) is registered with the US tax authorities as registered deemed compliant foreign financial institution ("FFI") pursuant to the US-Swiss Agreement to Improve International Tax Compliance and to Implement FATCA (the "US-Swiss IGA"). The custodian bank is registered with the US tax authorities as a participating foreign financial institution ("pFFI") pursuant to the US-Swiss IGA and pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code, including the corresponding rulings. The US-Swiss IGA was entered into with the intention of enabling the Swiss implementation of the Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act ("FATCA"), which impose a new reporting regime and potentially a 30% withholding tax on certain payments made from (or attributable to) US sources or in respect of US assets to certain categories of recipient including a non-US financial institution (a "foreign financial institution" or "FFI") that does not comply with the terms of FATCA and is not otherwise exempt. Certain financial institutions ("reporting financial institutions") are required to provide certain information about their US accountholders to the US Internal Revenue Service pursuant to the terms of an FFI Agreement (as defined in the US-Swiss IGA, which has been implemented by Swiss regulations). The umbrella fund will constitute a reporting financial institution for these purposes. Accordingly, the umbrella fund will be required to enter into and comply with the terms of an FFI Agreement (as defined in the US-Swiss IGA), including the requirement to provide certain information about its US investors to the US Internal Revenue Service. It is the intention of the umbrella fund and the fund management company to procure that the umbrella fund complies with the terms of FATCA by entering into and complying with the terms of an FFI Agreement (as defined in the US-Swiss IGA) and all other terms of the reporting system contemplated by the US-Swiss IGA. No assurance can, however, be provided that the umbrella fund would be able to comply with FATCA and, in the event that it is not able to do so, a 30% withholding tax may be imposed on payments it receives from (or which are attributable to) US sources or in respect of US assets, which may reduce the amounts available to it to make payments to its investors.

Switzerland and a number of other jurisdictions have also announced that they propose to enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the Organisation for Economic Co-operation and Development (OECD), pursuant to which certain financial institutions (also described as "reporting financial institutions") will be required to provide certain information to their local tax authorities about accountholders from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities). If such arrangements are implemented into Swiss law, it is currently expected that the umbrella fund would constitute a reporting financial institution for these purposes.

In light of the above, investors in the umbrella fund will be required to provide certain information to the umbrella fund to comply with the terms of the reporting systems. Please note that the fund management company has determined that US persons are not permitted to own units in the umbrella fund.

### 1.3 Financial Year
The financial year lasts from June 1 to May 31 (applies to all subfunds).

### 1.4 Auditor
The auditor is Deloitte AG, Zurich.

### 1.5 Units
Units will not take the form of actual certificates but will exist purely as book entries.
The subfunds are not currently divided into unit classes. Only a distribution-type unit class exists ("A"); however, owing to the economic characteristics of the precious metal and the fact that fees and costs are incurred on an ongoing basis, actual distributions should not be expected.

### 1.6 Listing of the Subfunds on SIX Swiss Exchange
The subfunds' units are listed according to the collective investment schemes standard of SIX Swiss Exchange Ltd ("SIX Swiss Exchange") and are thus also referred to as exchange traded funds ("ETF"). The Admission Board of SIX Swiss Exchange has approved the listing request. Trading in the fund units on SIX Swiss Exchange is conducted in the accounting unit of the subfund in question.
Trading in units of the subfund units on SIX Swiss Exchange commenced on October 6, 2009.
This prospectus serves as a listing prospectus for the listing of the units of the subfunds on SIX Swiss Exchange. As fund management company, BlackRock Asset Management Schweiz AG, Bahnhofstrasse 39, 8001 Zurich, is responsible for the contents of this prospectus. To the best of our knowledge and belief, we confirm that all information is correct and that no significant aspects have been omitted.
The listing of the units on SIX Swiss Exchange is aimed at providing investors with an additional opportunity for the direct subscription/redemption of units from/by the fund management company or its distributors, and to facilitate the purchase and sale of the units on a liquid, regulated secondary market, i.e. via the stock exchange. Details regarding the purchase of units on the primary or secondary market are explained later in section 1.7.
The net asset value of one unit of the respective subfund at the time of listing corresponded approximately to one-tenth of an ounce (oz.) of gold.
The companies used by the fund management company as market makers for trading in units of the individual subfunds are listed on the SIX Swiss Exchange website.
It is possible that further market makers will be appointed in the future. Any other market makers will be disclosed to FINMA. A market maker is responsible for maintaining a market for the traded fund units and, in this connection, for entering bid and ask prices for the subfunds' units in the SIX Swiss Exchange trading system.
FINMA has obliged the fund management company to ensure that the spread between the relevant net asset value per unit (calculated on the basis of the net asset value per unit and adjusted to reflect trading-induced changes in the prices of components included in the benchmark index, i.e. intraday net asset value) and the price at which investors can buy and sell units on SIX Swiss Exchange is kept down to a reasonable level.
Under a cooperation agreement between the fund management company on the one hand and the market makers on the other, the latter are obliged, within a certain framework and under normal market conditions, to maintain a market for the fund's units on SIX Swiss Exchange. In this connection, they must enter bid and ask prices for fund units in the SIX Swiss Exchange trading system, which, under normal market conditions for ETFs on commodity underlyings have a content of more than 50% of commodities that are traded on the domestic market during the official SIX Swiss Exchange trading hours, a spread of 2% (1% on either side of the intraday net asset value) and, in the case of ETFs on commodity underlyings with a content of more than 50% of commodities that are not traded on the domestic market during the official SIX Swiss Exchange trading hours, do not exceed a spread of 3%. Since gold is generally traded around the clock, the applicable spread is generally 2%. SIX SIS Ltd is responsible for clearing activities.

### 1.7 Terms for the Issue and Redemption of Subfund Units
Investors have the opportunity to acquire fund units on the primary or secondary market. The primary market is where the units are issued and redeemed by the fund management company or its distributors. The conditions described in section 1.7.1 apply in this regard. On the secondary market, the units are bought or sold via the exchange pursuant to the conditions described in section 1.7.2.

#### 1.7.1 Acquisition and Redemption of Subfund Units on the Primary Market
Subfund units will be issued and redeemed on every Zurich bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas (including Christmas Eve), New Year (including December 31), August 1, etc.), or on days when there is only a LBMA Gold Price AM as defined in section 1.9.1. Nor will units be issued or redeemed on days when precious metal trading in London is closed, or under the exceptional circumstances defined under § 17 section 4 of the fund contract.
Subscription and redemption orders received by the custodian bank by the time stated in the table at the end of the prospectus on a given Zurich bank working day (order day) will be processed on the same or the next bank working day in Zurich on the basis of the net asset value calculated for the order day. The net asset value taken as the basis for the settlement of the order is not known when the order is placed (forward pricing). It is calculated on the valuation day on the basis of the closing prices on the order day.
The issue price is calculated as follows: The net asset value calculated on the valuation date plus the incidental costs (standard brokerage fees, commissions, transaction costs (e.g. execution and slippage costs), taxes, handling fees incurred in connection with the investment in physical gold, including any VAT, etc.) incurred on average by the subfund concerned in connection with the investment of that portion of investments corresponding to the amount paid in, plus the issuing commission. The issuing commission is defined under section 1.11 below.
The redemption price corresponds to the net asset value calculated on the valuation day, minus the incidental costs (standard brokerage fees, commissions, transaction costs (e.g. execution and slippage costs), taxes, handling fees incurred in connection with the investment in physical gold, including any VAT, etc.) incurred on average by the subfund concerned in connection with the sale of that portion of investments corresponding to the amount sold, plus the redemption commission. The redemption commission is defined under section 1.11 below.
Incidental costs (standard brokerage charges, commissions, transaction costs (e.g. execution and slippage costs), fees, processing charges connected with investments in physical gold, taxes, including any VAT, etc.) incurred by the subfund in connection with the investment of the amount paid in, or with the sale of that portion of investments corresponding to the redeemed unit(s), will be charged to the assets of the corresponding subfund.
The issue and redemption prices are rounded up or down to four places after the decimal point of the unit of account. Payments for units issued or redeemed will be made two Zurich bank working days after the order day at the latest (value date max. 2 days), subject to the applicable provisions for transfers of assets in kind (cf. section 1.7.2).
Units will not take the form of actual certificates but will exist purely as book entries.
The management company and the custodian bank may, within the scope of their sales activities, refuse purchase applications, as well as suspend or limit the sale, distribution or transfer of units to individuals or corporate bodies in particular countries or areas.

#### 1.7.2 Transfer of Assets in Kind
Investors in units of all the currently issued unit classes of the **iShares Gold ETF (CH)** subfund are entitled, via their account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*), to request from the custodian bank that gold be delivered/booked to their account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*) ("transfer of assets in kind") instead of payment of the cash redemption price calculated as per section 1.7.1 less the commission payable as per

§ 19 section 5 of the fund contract plus any other costs ("redemption amount"). This is subject, however, to any monetary policy-related or other measures taken by government authorities as well as any other circumstances that prohibit the delivery of physical gold or complicate it in such a way that the custodian bank or vaulting agent cannot reasonably be expected to proceed with a transfer of assets in kind. It is possible that unit classes will also be created and launched in the future for which there is no entitlement to a delivery or booking in gold.
The entitlement, in the appropriate unit classes, to a transfer of assets in kind is basically limited to standard units of 1 bar of approx. 400 troy ounces (oz. tr.) (approx. 12.5 kg) of the customary purity (995/1,000) or higher as per the types of assets set forth in § 8 section 3 of the fund contract. There shall be no obligation to comply with a request for a transfer of assets in kind if the redemption amount does not correspond to the number of units deliverable or if a minimum of one standard unit of gold is not available to cover this amount. Neither shall there be an obligation to comply with a request for a transfer of assets in kind if such request is not submitted by a bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*).
The request for a transfer of assets in kind is to be submitted to the custodian bank together with the redemption request by a bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*). Based on the custodian bank's direct or indirect instructions to the delivery agent, actual delivery shall be in the aforementioned standard units of 1 bar of approx. 400 troy ounces (oz. tr.) (approx. 12.5 kg) of customary purity (995/1,000) or higher within a maximum of 10 Zurich bank working days. Such delivery principally takes place at the registered office of the account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*) requesting such transfer of assets in kind ("place of performance"). The delivery agent may from time to time define additional modalities in connection with the transfer of assets in kind. Depending on the manner in which the request for transfer in kind is settled, counterparty risks may arise within the custody chain.
Sales of bank gold are exempt from VAT under Art. 44 of the VAT Ordinance.
The expenses charged for the delivery of gold are subject to value added tax at the currently applicable rate. No deliveries are made outside of Switzerland.
The entitlement to the transfer of assets in kind shall also apply for the eligible unit classes in the event of liquidation of the subfund or umbrella fund. This right, however, is limited to the gold currently held by the individual subfunds.
The fund management company shall prepare a report in which the assets transferred are itemized and which shows their market value on the transfer date, the number of units transferred in return, and any settlement of fractions in cash. With each transfer of assets in kind, the custodian bank shall verify compliance by the fund management company with its fiduciary obligations as well as the valuation of the assets transferred and of the units returned as at the cutoff date as per § 18 section 1 e) of this fund contract. The custodian bank shall immediately report any reservations or complaints to the auditors. Transfers of assets in kind must be itemized in the annual report.
Should an investor wish to make use of the option of an asset transfer in kind, all information that may be required for the transaction (e.g. client account number, client identity) must be disclosed between the bank concerned, the custodian bank and the fund management company, depending on where the account is held. By issuing his/her request for a transfer of assets in kind, the investor must authorize this disclosure. Otherwise the request may be rejected.

#### 1.7.3 Acquisition and Redemption of Units on the Secondary Market

In contrast to subscriptions and redemptions on the primary market, the issuing and redemption commissions set out in § 19 of the fund contract do not apply to the purchase and sale of fund units via the exchange. Investors need only bear the customary stock exchange fees for such transactions.
Such transactions are conducted in a similar way to the purchase or sale of shares via SIX Swiss Exchange. The purchase and sale of units takes place at current market prices. The investor will therefore experience substantially greater flexibility in terms of pricing than is the case with the purchase or redemption of units through the fund management company or its distributors.
As with the purchase of equities, a limit may also be imposed on buy and sell orders (limit orders).
If the SIX Swiss Exchange – the exchange on which the units are listed – is closed, no trading in the units shall take place.

### 1.8 Treatment of Income

Owing, to the economic characteristics of the precious metal and the fact that fees and costs are incurred on an ongoing basis, distributions of income should not be expected.

### 1.9 Investment Objective, Investment Policy and Investment Restrictions of the Subfunds, and their Use of Derivatives

The investment objective of the subfunds is to match the performance of the respective benchmark as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the assets of the subfund in question.
Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative financial instruments and their scope) are contained in the fund contract (cf. Part 2, §§ 7–15).

#### 1.9.1 Investment Objective, Investment Policy and major risks of the Subfunds

**a) iShares Gold ETF (CH)**

The investment objective of the subfund is to match the performance of gold as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the subfund's assets. This subfund invests exclusively in physical gold in marketable form: that is, bars with a standard weight of around 400 troy ounces (oz. tr.) (about 12.5 kg) and a purity of 995/1,000 or higher. This is subject to any credit or debit balance on a precious metals account amounting to no more than 450 troy ounces (oz. tr.) (about 14 kg) of gold; should this limit be breached, the excess shall be corrected within three Zurich bank working days of the trade date (end of business date). The latter enables maximum holdings below the size of a bar to be exposed to the performance of the gold price. The US dollar is the investment currency for gold. Additional liquid assets may also be held. Liquid assets comprise on-call and term deposits with maturities of up to twelve months.

The primary risks include the concentration of investments. As the subfund in principle invests exclusively in physical gold, risk diversification – a typical feature of securities funds – does not exist in this instance. The income and value of the units are subject to fluctuations arising largely from the fluctuations in income and value of gold. Gold may be subject to substantial fluctuations in market prices. Moreover, it does not normally produce any income. Due to the lack of income and the fact that costs and commissions are nevertheless incurred, the quantity of physical gold held per unit of the subfund will tend to decline over the long term. In relation to the bank managing the account, a counterparty risk exists up to the balance of the precious metals account. Although gold is in principle easy to trade, factors such as trading, transportation, customs and fiscal restrictions, environmental factors (both physical changes related to climate change and the transition to alternative energy), social and governance sustainability factors, as well as other government and non-governmental interventions and events, may have a substantial influence on the price of gold and/or the trading in gold itself.
The gold price used as the benchmark for replication of subfund assets is the London Bullion Market Association (LBMA) Gold Price (or any successor price source from time to time). LBMA gold pricing is normally conducted twice daily, i.e. there is generally a morning price ("LBMA Gold Price AM") and an afternoon price ("LBMA Gold Price PM"). On days when the LBMA Gold Price PM is available, the LBMA Gold Price PM is used for the valuation. On days when there is no LBMA Gold Price PM and only a LBMA Gold Price AM is available, the LBMA Gold Price AM is used for the valuation. This applies in particular to Christmas Eve (Dec. 24) and New Year's Eve (Dec. 31), or, if Dec. 24 and/or Dec. 31 falls on a Saturday or Sunday, to the immediately preceding London bank working day in.

The current gold price, along with further information, is available at the LBMA website.

**b) iShares Gold CHF Hedged ETF (CH) and**
**c) iShares Gold EUR Hedged ETF (CH)**

The investment objective of the subfunds is to match the performance of gold as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the assets of the subfund in question. These subfunds invest exclusively in physical gold in marketable form: that is, bars with a standard weight of around 400 troy ounces (oz. tr.) (about 12.5 kg) and a purity of 995/1,000 or higher. This is subject to any credit or debit balance on a precious metals account amounting to no more than 450 troy ounces (oz. tr.) (about 14 kg) of gold; should this limit be breached, the excess shall be corrected within three Zurich bank working days of the trade date (end of business date). The latter enables maximum holdings below the size of a bar to be exposed to the performance of the gold price. The US dollar is the investment currency for gold. Additional liquid assets may also be held. Liquid assets comprise on-call and term deposits with maturities of up to twelve months. All investments not denominated in the currency of the subfund are in addition hedged against such currency as far as possible by means of forward currency transactions.
iShares Gold CHF Hedged ETF (CH) and iShares Gold EUR Hedged ETF (CH) are subfunds of the "Other funds for traditional investments" type.
The primary risks include the concentration of investments. As the subfunds in principle invest exclusively in physical gold, risk diversification – a typical feature of securities funds – does not exist in this instance. The income and value of the units are subject to fluctuations arising largely from the fluctuations in income and value of gold. Gold may be subject to substantial fluctuations in market prices. Moreover, it does not normally produce any income. Due to the lack of income and the fact that costs and commissions are nevertheless incurred, the quantity of physical gold held per unit of the subfund will tend to decline over the long term. The foreign currency risk of the investment currencies of the subfund concerned versus the currency of account is extensively reduced through the use of forward currency transactions; however, a full hedge cannot be guaranteed at all times. This hedge also involves ongoing costs. In relation to the bank managing the account, a counterparty risk exists up to the balance of the precious metals account. Although gold is in principle easy to trade, factors such as trading, transportation, customs and fiscal restrictions, environmental factors (both physical changes related to climate change and the transition to alternative energy), social and governance sustainability factors, as well as other government and non-governmental interventions and events, may have a substantial influence on the price of gold and/or the trading in gold itself.
The gold price used as the benchmark for replication of subfund assets is the LBMA Gold Price (or any successor price source from time to time). LBMA gold pricing is normally conducted twice daily, i.e. there is generally a morning price ("LBMA Gold Price AM") and an afternoon price ("LBMA Gold Price PM"). On days when the LBMA Gold Price PM is available, the LBMA Gold Price PM is used for the valuation. On days when there is no LBMA Gold Price PM and only a LBMA Gold Price AM is available, the LBMA Gold Price AM is used for the valuation. This applies in particular to Christmas Eve (Dec. 24) and New Year's Eve (Dec. 31), or, if Dec. 24 and/or Dec. 31 falls on a Saturday or Sunday, to the immediately preceding London bank working day.
The current gold price, along with further information, is available at the LBMA website.

#### 1.9.2 Collateral strategy for financial derivative transactions

Currently only FX forward transactions are contemplated for the subfunds, but other derivatives transactions may be used at the discretion of the fund management company in accordance with the prospectus. These derivatives transactions may, where customary or required by regulation, be subject to margining requirements and therefore involve the posting and acceptance of collateral. The FX forward transactions are not currently subject to such requirements.

Transferred collateral, essentially in form of cash, must comply with applicable regulations, including the CISO-FINMA. Cash as collateral may only be used as liquid assets or invested in high-quality government bonds and directly or indirectly in short-term money market instruments. Re-invested cash collateral should be sufficiently diversified in terms of country, markets and issuers in accordance with the diversification requirements applicable to non-cash collateral. The fund management company monitors the risks arising from reinvesting the cash collateral on a regular basis. Nevertheless, these investments may involve a credit risk of the issuer and be subject to volatility. In addition, a certain level of liquidity risk cannot be excluded.

#### 1.9.3 Investment Restrictions of the Subfunds

Detailed information on the subfunds' investment restrictions can be found in the fund contract (see Part 2, § 15).

#### 1.9.4 Use of Derivatives by the Subfunds

The fund management company uses derivatives. However, even under extreme market circumstances, these shall not result in a deviation from the investment objectives or a change in the investment character of the subfund. The Commitment I approach will be applied for the assessment of risk.
Derivatives may form part of the investment strategy and are not used solely to hedge investment positions.
Only basic forms of derivatives may be used, i.e. call or put options, swaps and futures and forward transactions, as described in more detail in the fund contract (cf. § 12), and only as long as the underlying assets are permitted as investments under the investment policy. The derivative transactions may be concluded on either a stock exchange or another regulated market open to the public, or in OTC (over-the-counter) trading. In addition to the market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract fails to meet its obligations and thus causes a financial loss.
Even under extraordinary market circumstances, the use of these instruments may not result in the subfunds' assets being leveraged, neither may they correspond to a short sale.

### 1.10 Net Asset Value

The net asset value of a unit of a subfund is determined by the market value of that subfund's assets, minus all that subfund's liabilities, divided by the number of units of that subfund in circulation. The net asset value shall be rounded up or down to four places after the decimal point of the unit of account.

### 1.11 Fees and Incidental Costs

Details on the fees and incidental costs for each subfund, together with the issue and redemption commission for each unit class, are set out in the table at the end of the prospectus.
The fees and incidental costs listed under § 20 of the fund contract may also be charged to the subfunds.The following applies to all subfunds:
Information on the flat fee actually charged is stated in the table at the end of the prospectus and can also be found in the annual and semi-annual reports.
The flat fee payable to the fund management company is used for the administration, asset management and, if applicable, distribution activity of the subfunds as well as for the remuneration of the services performed by the custodian bank such as safekeeping of the fund assets, the handling of payment transactions and other tasks listed under § 4.
In addition, the following services of third parties are remunerated by this flat fee, namely: Tax reporting, index and data licenses, iNAV services, publications, audit, external legal advice and tax advice, translations, typesetting and other services.
In addition, rebates and remuneration for certain other services pursuant to the sub-section "Payment of retrocessions and rebates" of the prospectus are paid out of the flat fee of the fund management company.

#### 1.11.1Total Expense Ratio

The coefficient of the total costs charged to the subfunds' assets on an ongoing basis (total expense ratio, TER) was: cf. table at the end of the prospectus.

**1.11.2 Payment of retrocessions and rebates**

The fund management company, its agents and the custodian bank generally do not pay retrocessions as remuneration for distribution activity in respect of share of the subfunds in or from Switzerland. In the context of the performance of the fund business, in individual cases and at their discretion the fund management company and its agents may pay third parties fees on the basis of written agreements for the performance of specific services, for example, to facilitate joint marketing initiatives, to train and educate clients and client advisers, to report on trading in the secondary market, and to provide access to fund holding data which is otherwise unavailable.

In the case of distribution activity in or from Switzerland, the fund management company and its agents may, upon request, pay rebates directly to investors for the purpose of reducing the fees or costs incurred by the investor in question. Rebates are permitted provided that a) they are paid from fees received by the fund management company and therefore do not represent an additional charge for the assets of the respective subfund; b) they are granted on the basis of objective criteria; and c) all investors who meet these objective criteria and demand rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the fund management company are as follows:

- the level of investment in a collective investment or range of collective investments or other portfolio managed by the fund management company or its agents; and
- the willingness of an investor to provide support during a fund's inception phase.

Upon request of the investor, the fund management company must disclose the relevant amounts of rebates free of charge.

**1.11.3 Fee-Sharing Agreements and Non-Pecuniary Benefits ("Commission Sharing Agreements" and "Soft Commissions")**

The fund management company has not concluded any commission sharing agreements or agreements in respect of "soft commissions".

**1.12 Access to the Reports**

The prospectus with integrated fund contract, the key information document (KID) or equivalent and the latest annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

**1.13 Legal Form of the Fund**

The subfunds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the corresponding subfund in proportion to the units acquired by the said investor, and to manage these subfunds in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.

Investors are only entitled to the assets and income of the subfund in which they have invested. Liabilities that are attributable to an individual subfund will be borne solely by the said subfund.

In accordance with the fund contract, the fund management company is entitled to establish, liquidate or merge unit classes for each subfund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

**1.14 Risk Factors**

**Investment Risks**

Past performance is no a guide to the future. The prices of units in the subfunds and the income from them may fall as well as rise and an investor may not recover the full amount invested. There can be no assurance that any subfund will achieve its investment objective or that a unit holder will recover the full amount invested in a subfund. The income and value of the units are subject to fluctuations arising largely from the fluctuations in income and value of gold. Gold may be subject to substantial fluctuations in market prices. Moreover, it does not normally produce any income.

Due to the lack of income and the fact that costs and commissions are nevertheless incurred, the quantity of physical gold held per unit of the subfund will tend to decline over the long term.

**Derivative Risks**

The subfunds may use derivatives and such instruments involve certain special risks and may expose investors to an increased risk of loss. These risks may include credit risk with regard to counterparties with whom a subfund trades, the risk of settlement default, lack of liquidity of the derivatives, imperfect tracking between the change in value of the derivatives and the change in value of the underlying asset that the subfund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when purchasing derivatives, a subfund may be required to secure its obligations to its counterparty. For non-fully funded derivatives, this may involve the placing of initial and/or variation margin assets with the counterparty. For derivatives which require a subfund to place initial margin assets with a counterparty, such assets may not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the subfund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed the value of the relevant subfund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of an derivatives may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the derivatives only if a minimum transfer amount is triggered, the subfund may have an uncollateralised risk exposure to a counterparty under a derivative up to such minimum transfer amount. A default by the counterparty in such circumstances will result in a reduction in the value of the subfund and thereby a reduction in the value of an investment in the subfund.

Additional risks associated with investing in derivatives may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where a subfund's credit exposure to its counterparty under a derivative is not fully collateralised but each subfund will continue to observe specific set out in this context limits. The use of derivatives may also expose a subfund to legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

**Concentration Risk**

If the Benchmark Index of a subfund concentrates in a particular country, region, asset class, industry, group of industries or sector, that Fund may be adversely affected by the performance of those securities or the asset class and may be subject to price volatility. As the subfund in principle invests exclusively in physical gold, risk diversification – a typical feature of securities funds – does not exist in this instance.

**Sustainability Risks**

Sustainability risk is an inclusive term to designate investment risk (probability or uncertainty of occurrence of material losses relative to the expected return of an investment) that relates to environmental, social or governance issues.

Sustainability risk around environmental issues includes, but is not limited to, climate risk, both physical and transition risk. Physical risk arises from the physical effects of climate change, acute or chronic. For example, frequent and severe climate-related events can impact products and services and supply chains. Transition risk whether policy, technology, market or reputation risk arises from the adjustment to a low-carbon economy in order to mitigate climate change. Risks related to social issues can include but are not limited to labour rights and community relations. Governance related risks can include but are not limited to risks around board independence, ownership & control, or audit & tax management. These risks can impact an issuer's operational effectiveness and resilience as well as its public perception, and reputation affecting its profitability and in

turn, its capital growth, and ultimately impacting the value of holdings in a subfund.
These are only examples of sustainability risk factors and sustainability risk factors do not solely determine the risk profile of the investment. The relevance, severity, materiality and time horizon of sustainability risk factors and other risks can differ significantly by subfunds.
Sustainability risk can manifest itself through different existing risk types (including, but not limited to, market, liquidity, concentration, credit, asset-liability mismatches etc.). By way of example, a subfund may invest in the equity or debt of an issuer that could face potentially reduced revenues or increased expenditures from physical climate risk (e.g. decreased production capacity due to supply chain perturbations, lower sales due to demand shocks or higher operating or capital costs) or transition risk (e.g. decreased demand for carbon-intensive products and services or increased production costs due to changing input prices). As a result, sustainability risk factors may have a material impact on an investment, may increase the volatility, affect liquidity and may result in a loss to the value of units in a subfund.
The impact of those risks may be higher for subfunds with particular sectoral or geographic concentrations e.g., subfunds with geographical concentration in locations susceptible to adverse weather conditions where the value of the investments in the subfunds may be more susceptible to adverse physical climate events or subfunds with specific sectoral concentrations such as investing in industries or issuers with high carbon intensity or high switching costs associated with the transition to low carbon alternatives, may be more impacted by climate transition risks.
All or a combination of these factors may have an unpredictable impact on the relevant subfund's investments. Under normal market conditions such events could have a material impact on the value of units of the subfund.
Assessments of sustainability risk are specific to the asset class and to the fund's objective. Different asset classes require different data and tools to apply heightened scrutiny, assess materiality, and make meaningful differentiation among issuers and assets. Risks are considered and risk managed concurrently, by prioritizing based on materiality and on the subfund's objective.
The impacts of sustainability risk are likely to develop over time and new sustainability risks may be identified as further data and information regarding sustainability factors and impacts becomes available.

**Risks related to Precious Metals Generally**

The performance of a precious metal is dependent upon various factors, including (without limitation) supply and demand, liquidity, natural disasters, direct investment costs, location, changes in tax rates and changes in laws, regulations and the activities of governmental or regulatory bodies, each as set out in more detail below. Precious metal prices are generally more volatile than most other asset classes, making investments in precious metals riskier and more complex than other investments, and the secondary market price of the subfund Units may demonstrate similar volatility. Some of the factors affecting the price of precious metals are:

**(i) Supply and demand**

Precious metals are typically considered a finite rather than a renewable resource. If supplies of a precious metal increase, the price of the precious metal will typically fall and vice versa if all other factors remain constant. Similarly, if demand for a precious metal increases, the price of the precious metal will typically increase and vice versa if all other factors remain constant. The planning and management of precious metal supplies is very time-consuming. This means that the scope for action on the supply side is limited and it is not always possible to adjust production swiftly to take account of demand. Demand can also vary on a regional basis. In relation to the use of precious metals in jewelry and/or for other non-industrial uses, substitutes may become more accepted over time. In relation to the use of precious metals in industrial processes, alternatives or substitutes may be identified, become cheaper and/or more readily available. In both cases, this may result in a decrease in the demand for such precious metal and a decrease in the price thereof.

**(ii) Liquidity**

Not all markets in precious metals are liquid and able to quickly and adequately react to changes in supply and demand. The fact that there are only a few market participants in the precious metals markets means that speculative investments can have negative consequences and may distort prices and market liquidity.

**(iii) Natural disasters**

The occurrence of natural disasters can influence the supply of certain precious metals. This kind of supply crisis can lead to severe and unpredictable price fluctuations.

**(iv) Storage and other costs**

Direct investment in precious metals involves storage, security, insurance and tax costs. Moreover, no interest or dividends are paid on precious metals. The returns from investments in precious metals are therefore influenced by these factors. Transport costs for precious metals in regions where they are needed also affect their prices.

**(v) Location**

Precious metals are often produced in emerging market countries, with demand coming principally from industrialized nations. The political and economic situation is, however, far less stable in many emerging market countries than in the developed world. They are generally much more susceptible to the risks of rapid political change and economic setbacks. Political crises can affect purchaser confidence, which can, as a consequence, affect precious metal prices. Armed conflicts can also impact on the supply and demand for certain precious metals. There may also be increased impacts on the value of precious metal as a result of environmental factors (both physical changes related to climate change and the transition to alternative energy), as well as social and governance sustainability factors. It is also possible for industrialized nations to impose embargos on imports and exports of goods and services. This can directly and indirectly impact precious metal prices. Furthermore, precious metal producers may establish organizations or cartels in order to regulate supply and influence prices.

**(vi) Changes in tax rates**

Changes in tax rates and customs duties may have a positive or a negative impact on the profit margins of precious metal producers. When these costs are passed on to purchasers, these changes will affect prices.

**(vii) Changes in exchange rates and interest rates**

Changes in exchange rates and interest rates may have a positive or negative impact on the price, demand, production costs, direct investment costs of precious metals and the returns from investments in precious metals are therefore influenced by and may be correlated to these factors.

**(viii) Laws, regulation and action of regulatory bodies**

Changes in law and regulation and/or the action of any applicable government or regulatory body may have a positive or a negative impact on precious metal prices and on any of the factors listed above.

**Shortage of Physical Metal**

Metal markets have the potential to suffer from market disruption or volatility caused by shortages of physical metal. Such events could result in sudden increases in Metal prices for a short period (also known as price spikes). The recent growth of investment products offering investors an exposure to precious metals may significantly change the supply and demand profile of the market from that which has traditionally prevailed. Changes in supply and demand for such investment products will directly impact on the supply and demand in the market for the underlying precious metals. This may have the effect of increasing volatility in the price and supply of the relevant precious metals. Such products require the purchase and sale of the relevant precious metal, and, depending on the success of such products, this may lead to a substantial increase in the volume of transactions.

**Sales of Gold by national and supranational organizations could adversely affect the value of the subfund Units**

Central banks, other government agencies and supranational organizations, such as the International Monetary Fund, that buy, sell and hold gold as part of their reserve assets may decide to sell a

portion of their assets, which are not normally subject to use in the open market via swaps or leases or mobilized in other ways. A number of central banks, including the Bank of England, have sold significant portions of their gold over the last ten to fifteen years, which has meant that governmental and supranational organizations have generally been a net supplier to the open market. If there are sales of gold by the public sector to the private sector there may be an excess of supply over demand, leading to a lower price on the open market and consequently a decrease in the value of relevant subfund Units.

**Crises may precipitate large-scale sell-offs of gold which could lead to a fall in the gold price and consequently decrease in the value of the subfund Units**
The possibility of large-scale distressed sales of gold in times of crisis may have a short to medium term effect on the price of gold and adversely affect the value of the subfund Units.

**Custody and Insurance**
All underlying gold held in allocated form will be held by the vaulting agent in its vaults in Zurich on behalf of the custodian bank and/or applicable subcustodians. In relation the custodian and/or applicable subcustodian(s), including the vaulting agent, a counterparty risk to the account-keeping bank of the precious metals account exists.
Access to such underlying gold could be restricted by, without limitation, natural events, such as earthquakes, or human activities, such as political protests or terrorist attacks.

### 1.15 Liquidity Risk Management
The Fund Management Company has implemented an appropriate liquidity risk management to monitor the liquidity of the subfunds on a monthly basis. The Fund Management Company monitors the liquidity risks of the sub-funds under different scenarios based on defined liquidity thresholds. The monitoring process is designed to filter funds that may have greater exposure to liquidity/redemption risk than other funds. The filtered funds are reviewed by risk managers in more detail. The liquidity screening process is based on up-to-date data and a wide range of liquidity measures are used, including (but not limited to) days to trade, redemption coverage ratio as well as liquidity stress testing. The liquidity risks identified are disclosed in cipher 1.14 "Risk factors".

## 2 Information on the Fund Management Company

### 2.1 General Information on the Fund Management Company
The fund management company of the umbrella fund and subfunds is BlackRock Asset Management Schweiz AG.
The fund management company is a Swiss stock corporation, which was originally registered on June 17, 2005 in the Commercial Register in Canton Geneva as Barclays Global Investors Schweiz AG. The fund management company's registered office was moved to Zurich on 6 December 2006. The fund management company was acquired by BlackRock Inc. on 1 December 2009 and renamed BlackRock Asset Management Schweiz AG. The fund management company has been active in the international fund business since 2014 as the fund management company of the Swiss BlackRock funds.

### 2.2 Additional Information on the Fund Management Company
As at 31 December 2021, the fund management company manages 23 Swiss domiciled collective investment schemes, with assets under management of about USD 19 billion.

The fund management company BlackRock Asset Management Schweiz AG is registered with the US tax authorities as a "registered deemed compliant FFI" within the meaning of the agreement between Switzerland and the United States on cooperation to simplify the implementation of FATCA (Foreign Account Tax Compliance Act) "Swiss/US IGA". Investors should also read the information set out under the heading "FATCA and other cross-border reporting systems", particularly in relation to the consequences of the umbrella fund being unable to comply with the terms of such reporting systems.

Address: BlackRock Asset Management Schweiz AG,
Bahnhofstrasse 39,
CH-8001 Zurich
Website: www.blackrock.com

### 2.3 Governing bodies
**Board of Directors**
– Barry O'Dwyer, Chairman
– Mirjam Staub-Bisang, Vice-Chariman and Delegate
– Ellen Bakke Mawdsley, member
– Soren Mose, member

**Executive Committee**
– Mirjam Staub-Bisang, CEO
– Markus Studer, COO
– Jasmin Djalali, member, Legal & Compliance
– Ed Gordon, member, iShares & Wealth
– Serge Lauper, member, Investment Management Infrastructure
– Frank Rosenschon, member, Institutional Client Business
– Holger Schmidt, member, Product Oversight and Governance
– Robert Majewski, member, Risk and Quantitative Analysis

### 2.4 Subscribed and Paid-in Capital
The fully paid in share capital of the fund management company was CHF 1,000,000 on 31 December 2021, divided into 1,000 registered shares with a value of CHF 1,000 each.
The fund management company is part of the BlackRock Group, of which BlackRock Inc. (listed on a stock exchange in the USA) is the parent company.

### 2.5 Delegation and sub-delegation of Investment Decisions and Other Specific Tasks
Investment decisions in respect of the subfunds have been delegated to BlackRock Advisors (UK) Limited, London, which has sub-delegated these investment decisions to BlackRock Asset Management Deutschland AG, Munich.

Further, the fund management company has delegated parts of the fund administration to State Street Bank International GmbH, Munich, Zurich branch (the "Fund Administration").
Further, the Fund Management Company may appoint delegates to provide currency hedging services. In relation to the currency hedged subfunds, currency hedging has been delegated to BlackRock Advisors (UK) Limited, London. BlackRock Advisors (UK) Limited has appointed State Street Europe Limited, London, to provide currency hedging services for the currency hedged subfunds pursuant to a Currency Hedging Agreement.

### 2.6 Exercising of Membership and Creditors' Rights
The fund management company exercises the membership rights (voting rights) and creditors' rights associated with the investments of the subfunds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide the investors with information on exercising of membership and creditors' rights.
In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party.
In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the portfolio manager, the company or from proxy advisers and other third parties, or on information it learns from the press.
The fund management company is free to waive the exercise of membership and creditors' rights.

## 3 Information on the Custodian Bank

### 3.1 General information on the Custodian Bank

The custodian bank is State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8027 Zurich, Switzerland. The custodian bank is a bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (Bundesgesetz über die Banken und Sparkassen) and meets the requirements of Article 72 CISA. The Custodian is a branch of State Street Bank International GmbH, Munich, a bank organized under German law, which is itself an indirect subsidiary of State Street Corporation, Boston (MA). The equity of State Street Bank International GmbH, Munich amounted to EUR 109,368,445.00 as at 31 December 2021.

### 3.2 Further information on the Custodian Bank

The main activities of State Street Bank International GmbH, Munich, Zurich Branch are:

- Custodian bank for Swiss investment funds,
- Global securities administration for Swiss and foreign institutional clients and investment funds or other open-ended or closed-ended collective investment schemes,
- Paying agent and representative function for Swiss and foreign investment funds,
- Payment transactions for institutional clients,
- Lending business in connection with global securities administration or custodian bank business.

The custodian bank may delegate the safekeeping of the assets of the subfunds to third-party custodians and central securities depositaries in Switzerland and abroad, provided this is in the interests of proper safekeeping. This entails the following risks, among others: settlement risks, i.e. the untimely receipt or delivery of securities, country risk in the event of insolvency and, especially in emerging markets, political risks. In relation to financial instruments, the fund assets may only be transferred to regulated third-party custodians and central securities depositaries. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and central securities depositaries is not possible, in particular due to mandatory legal provisions or the modalities of the investment product. The use of third-party custodians or central securities depositaries means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. Furthermore, if the third-party custodians and central securities depositaries are not supervised, they are unlikely to meet the organizational requirements applied to Swiss banks. The custodian bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring.

The custodian bank appoints Credit Suisse AG, Paradeplatz 8, 8001 Zurich, as direct or indirect third-party custodian or subcustodian respectively in relation to the physical custody of gold on behalf of the subfunds (the "**vaulting agent**").

The custodian bank is registered with the US tax authorities as a "participating foreign financial institution (pFFI)" within the meaning of the agreement between Switzerland and the United States on cooperation to simplify the implementation of FATCA (Foreign Account Tax Compliance Act) "Swiss/US IGA" and of Section 1471–1474 of the US Internal Revenue Code, including related decrees. The custodian bank is a "Reporting Financial Institution under Model 2 IGA" and the FATCA GIIN number is JR3CY0.99999.SL.756. Investors should also read the information set out under the heading "FATCA and other cross-border reporting systems", particularly in relation to the consequences of the umbrella fund being unable to comply with the terms of such reporting systems.

The custodian bank is part of an international enterprise. In connection with the execution of subscriptions and redemptions and the maintenance of business relations, data and information on clients, their business relation to the custodian bank (including information about the beneficial owner) as well about the business dealings in accordance with applicable laws may be forwarded to group companies of the custodian bank outside Switzerland, to its delegates and agents outside Switzerland, to the fund management company. By subscribing for a unit, the investor agrees that the Fund Management Company and any person acting on behalf of the fund may inspect all information concerning the place of custody and the number of units. These service providers and the fund management company are obliged, to keep and treat the information confidential and to use the received information and data exclusively for the aim, they have been provided to the service providers. The data protection regulations outside Switzerland may deviate from the Swiss regulations and do not meet the standard of Swiss data protection regulations.

## 4 Information on Third Parties

### 4.1 Paying Agent

State Street Bank International GmbH, Munich, Zurich Branch, Beethovenstrasse 19, 8027 Zurich.

### 4.2 Distributors

The fund management company is entitled to appoint distributors.

### 4.3 Delegation and Sub-Delegation of Investment Decisions and Other Specific Tasks

Investment decisions in respect of the subfunds have been delegated to BlackRock Advisors (UK) Limited, London, which has sub-delegated these investment decisions to BlackRock Asset Management Deutschland AG, Munich.
BlackRock Advisors (UK) Limited, London is a subsidiary of BlackRock, Inc. It is authorized and regulated in the UK by the Financial Conduct Authority (the "**FCA**") to carry on investment management business and as such is subject to FCA rules. BlackRock Advisors (UK) Limited, London, has a number of "passports" granted under the EU Markets in Financial Instruments Directive (2004/39/EC) to conduct investment management related services in a number of European Union countries including Ireland and Luxembourg.
BlackRock Asset Management Deutschland AG, Munich, is a subsidiary of BlackRock, Inc. It is a capital management company as defined in the German Capital Investment Code (*Kapitalanlagegesetzbuch* – "KAGB") authorized and regulated by the German Federal Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* – "**BaFin**") for the purposes of managing investment funds, including externally managed investment stock corporations in accordance with the UCITS Directive and providing portfolio management services to 3rd parties. The precise duties involved are laid down in an asset management agreement between the fund management company and BlackRock Advisors (UK) Limited, London, and in a sub-investment management agreement between BlackRock Advisors (UK) Limited, London, and BlackRock Asset Management Deutschland AG, Munich.

Further, the fund management company has delegated parts of the fund administration to State Street Bank International GmbH, Munich, Zurich branch (the "Fund Administration").
A contract concluded between the fund management company and State Street Bank International GmbH, Munich, Zurich Branch regulates the exact execution of the mandate including the delegation of the following tasks: Calculation of the Net Asset Value; determination of the issue and redemption prices; operation of and access to the portfolio compliance system; Net Asset Value validation and reporting; creation of semi-annual and annual reports.
Further, the Fund Management Company may appoint delegates to provide currency hedging services. In relation to the currency hedged subfunds, currency hedging has been delegated to BlackRock Advisors (UK) Limited, London. BlackRock Advisors (UK) Limited has appointed State Street Europe Limited, London, to provide currency hedging services for the currency hedged subfunds pursuant to a Currency Hedging Agreement.

## 5 Further Information

### 5.1 Key Data

| | |
|---|---|
| Valor numbers | cf. table at the end of the prospectus |
| ISIN numbers | cf. table at the end of the prospectus |
| Tickers | cf. table at the end of the prospectus |
| Accounting currency | cf. table at the end of the prospectus |

### 5.2 Publication of Official Notices by the Umbrella Fund and Subfunds

Further information on the umbrella fund and the subfunds may be found in the latest annual or semi-annual report. The latest information can also be found on the internet at www.ishares.com.
In the event of a change to the fund contract, a change in the fund management company or the custodian bank or the dissolution of the subfunds, the corresponding notice will be published by the fund management company on the electronic fundinfo platform (www.fundinfo.com).
Prices are published daily on the electronic fundinfo platform (www.fundinfo.com) and possibly also in other Swiss and international newspapers and electronic media.

### 5.3 Information Regarding Distribution Activity or Offering Abroad

The fund management company may at any time apply for the fund to be admitted for distribution in other countries.

**Information Regarding Distribution Activity in the Principality of Liechtenstein**
The subfunds of the umbrella fund were admitted for sale on 2 October 2009 in the Principality of Liechtenstein.
The Representative and Paying Agent in the Principality of Liechtenstein is LGT Bank AG, Herrengasse 12, FL-9490 Vaduz.
The prospectus and fund contract, as well as annual and semi-annual reports in German, are obtainable free of charge from the Representative and Paying Agent in Liechtenstein.
Prices (issue and redemption prices of subfund units) are published on the electronic fundinfo platform (www.fundinfo.com) each day that units are issued or redeemed.
The place of performance and jurisdiction is Vaduz.

**Singapore**
Certain subfunds (the "**Restricted Subfunds**") have been entered onto the list of restricted schemes maintained by the Monetary Authority of Singapore (the "**MAS**") for purpose of restricted offer in Singapore pursuant to section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**") and the list of Restricted Subfunds may be accessed at:
https://eservices.mas.gov.sg/cisnetportal/jsp/list..A restricted offer or invitation of the units (the "**Units**") of each Restricted Subfund is the subject of this prospectus.The Restricted Subfunds are not authorised or recognised by the MAS and the Units are not allowed to be offered to the retail public in Singapore.
This prospectus and any other document or material issued in connection with this restricted offer or sale of the Restricted Subfunds is not a prospectus as defined in the SFA and has not been registered as a prospectus with the MAS. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. You should consider carefully whether the investment is suitable for you. This prospectus and any other document or material in connection with the restricted offer or sale, or invitation for subscription or purchase, of Units may not be circulated or distributed, nor may Units be offered or sold, or be made the subject of an invitation for subscription or purchase, pursuant to this prospectus whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.
Where Units are subscribed or purchased under Section 305 of the SFA by a relevant person which is: (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Units pursuant to an offer made under Section 305 of the SFA except: 1. to an institutional investor or to a relevant person defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA; 2. where no consideration is or will be given for the transfer; 3. where the transfer is by operation of law; 4. as specified in Section 305A(5) of the SFA; or 5. as specified in Regulation 36 of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 of Singapore.

### 5.4 Sales Restrictions

With respect to the issue and redemption of units of the subfunds outside Switzerland, the regulations valid in the country in question apply.

Units of the subfunds may not be offered, sold or delivered within the United States. Units of this collective investment scheme may not be offered, sold or delivered to citizens and/or residents of the United States of America and/or persons or entities whose income and/or revenue, irrespective of source, is subject to US income tax, including those deemed to be US persons under Regulation S of the US Securities Act of 1933 and/or the US Commodity Exchange Act, as amended.

## 6 Further Investment Information

### 6.1 Profile of the Typical Investor

The subfunds are suitable for investors with a medium- to long-term horizon who are primarily seeking to track the respective benchmark index. They must be prepared to see the net asset value of fund units undergo sharp fluctuations and sustained declines. They are aware of the main risks of a precious metal investment (precious metals ETFs). Due to the limited risk distribution – that is, risk concentration – in precious metals, the subfunds are in principle suitable only for a limited portion of an individual investor's assets.

### 6.2 ESG Integration and Investment Stewardship

**ESG Integration**
Environmental, Social and Governance (ESG) investing, is often conflated or used interchangeably with the term "sustainable investing." BlackRock has identified sustainable investing as being the overall framework and ESG as a data toolkit for identifying and informing BlackRock's solutions. BlackRock has defined ESG Integration as the practice of incorporating material ESG information and sustainability risks into investment decisions in order to enhance risk-adjusted returns. BlackRock recognises the relevance of material ESG information across all asset classes and styles of portfolio management. The asset manager may incorporate sustainability considerations in its investment processes across all investment platforms. ESG information and sustainability risks are included as a consideration in index selection, portfolio review and investment stewardship processes.
The subfunds are managed with a focus on minimizing the performance tracking difference versus an underlying index. BlackRock's index platform offers subfunds with sustainability objectives, which have either the objective to avoid certain issuers or gain exposure to issuers with better ESG ratings, an ESG theme, or to generate positive environmental or social impact (Sustainable Suite). BlackRock considers the suitability characteristics and risk assessments of the index provider and BlackRock may adapt its investment approach appropriately in line with the subfund's investment objective and policy. BlackRock also manages funds that do not have these explicit sustainability objectives. Across all index subfunds, ESG integration includes:

- Engagement with index providers on matters of index design and broader industry participation on ESG considerations

- Transparency and reporting, including methodology criteria and reporting on sustainability-related information
- Investment stewardship activities that are undertaken across all investment strategies invested in corporate equity issuers to advocate for sound corporate governance and business practices in relation to the material ESG factors that are likely to impact long-term financial performance.

Unless otherwise stated herein and included within a subfund's investment objective and investment policy, ESG integration does not change a subfund's investment objective or constrain the asset manager's investable universe, and there is no indication that an ESG or impact focused investment strategy or any exclusionary screens will be adopted by a subfund. Impact investments are investments made with the intention to generate positive, measurable social and /or environmental impact alongside a financial return. Similarly, ESG integration does not determine the extent to which a subfund may be impacted by sustainability risks. Please refer to Sustainability Risks in the risk factors section of this prospectus. For subfunds managed in reference to indices which explicitly include sustainability objectives, the Risk and Quantitative Analysis group (RQA) conducts regular reviews with portfolio managers to ensure that both benchmark performance tracking and adherence to the sustainability objectives embedded in the benchmark's methodology are appropriately pursued.
BlackRock discloses portfolio-level ESG and sustainability related data that is publicly available on product pages for retail funds where permitted by law and regulation so current and prospective investors and investment advisors can view sustainability-related information for a subfund.

**Taxonomy Regulation**

The investments underlying these subfunds do not take into account the EU criteria for environmentally sustainable economic activities as defined under the Taxonomy Regulations (The Taxonomy Regulations means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088).

**Investment Stewardship**

BlackRock undertakes investment stewardship engagements and proxy voting with the goal of protecting and enhancing the long-term value of the subfunds' assets for relevant asset classes. In BlackRock's experience, sustainable financial performance and value creation are enhanced by sound governance practices, including risk management oversight, board accountability, and compliance with regulations. BlackRock focuses on board composition, effectiveness and accountability as a top priority. High standards of corporate governance are the foundations of board leadership and oversight. Hence, BlackRock engages to better understand how boards assess their effectiveness and performance, as well as their position on director responsibilities and commitments, turnover and succession planning, crisis management and diversity.
BlackRock takes a long-term perspective in its investment stewardship work informed by two key characteristics of BlackRock's business: the majority of the investors are saving for long-term goals, so BlackRock presumes they are long-term shareholders; and BlackRock offers strategies with varying investment horizons, which means BlackRock has long-term relationships with its investee companies.
For further detail regarding BlackRock's approach to sustainable investing and investment stewardship please refer to the website at www.blackrock.com/corporate/sustainability and https://www.blackrock.com/corporate/about-us/investment-stewardship#our-responsibility.

### 6.3 Data Protection under the DPA and GDPR

Investors should note that the Fund Management Company may handle their personal data (this includes "personal data" within the meaning of the Federal Act on Data Protection ("DPA") as well as "personal data" within the meaning of the General Data Protection Regulation GDPR of the European Union) or that of individuals connected with an investor's directors, officers, employees and/or beneficial owners. The GDPR privacy notice prepared in respect of the Fund Management Company (the "GDPR Privacy Notice") contains information on the collection, use, disclosure, transfer and processing of personal data under GDPR by the Fund Management Company and sets out the rights of individuals in relation to their personal data held by the Fund Management Company. The GDPR Privacy Notice is available at www.blackrock.com. Requests for further information in relation to the Fund Management Company's use and/or BlackRock's use of Personal Data under GDPR and requests to exercise the rights in relation to Personal Data, as set out in the Privacy Notice, should be addressed to: The Data Protection Officer, BlackRock, 12 Throgmorton Avenue, London, EC2N 2DL.

### 6.4 Detailed Regulations

All further information on the umbrella fund and subfunds, such as the method used for the valuation of the subfunds' assets, a list of all fees and incidental costs charged to the investor and the subfunds, and the appropriation of net income, can be found in detail in the fund contract.

**Summary of the Subfunds and Unit Classes**

| Subfund | Unit classes | Valor number | ISIN number | Ticker | Accounting currency | Max. issue / redemption commission charged to the investors[1] | Flat management fee charged to the subfund[2] | Max. incidental costs of issue/redemption[3] | Max. commission for transfer of assets in kind[4] | Valuation date (days since order day) | Value date (days since order day) | Day of relevant valuation prices (days since order day) | Deadline for daily subscription and redemption of fund units (CET) | Min. investment / min. holding | Delegation and sub-delegation of the Subfund Investment Decisions | Total expense ratio (TER) | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | 31.05.19 | 31.05.20 | 31.05.21 |
| **iShares Gold ETF (CH)** | A | 10413623 | CH0104136236 | **CSGOLD** | **USD** | 5.0% / 3.0% | 0.19%[7] | 8.0% / 8.0% | 0.10% | up to 1 | up to. 2 [5] | 0 | 3 p.m. / 12 p.m. [6] | none | BlackRock Advisors (UK) Limited, London / BlackRock Asset Management Deutschland AG, Munich | 0.30% | 0.26%[7] | 0.19% |
| **iShares Gold CHF Hedged ETF (CH)** | A | 10413628 | CH0104136285 | **CSGLDC** | **CHF** | 5.0% / 3.0% | 0.22%[8] | 8.0% / 8.0% | n/a | up to 1 | up to. 2 | 0 | 3 p.m. | none | BlackRock Advisors (UK) Limited, London / BlackRock Asset Management Deutschland AG, Munich | 0.35% | 0.30%[8] | 0.22% |
| **iShares Gold EUR Hedged ETF (CH)** | A | 10413631 | CH0104136319 | **CSGLDE** | **EUR** | 5.0% / 3.0% | 0.22%[8] | 8.0% / 8.0% | n/a | up to 1 | up to. 2 | 0 | 3 p.m. | none | BlackRock Advisors (UK) Limited, London /BlackRock Asset Management Deutschland AG, Munich | 0.35% | 0.29%[8] | 0.22% |

[1] Fees and incidental costs charged to the investor (excerpt from § 19 of the fund contract): issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad; redemption commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad.

[2] Fees and incidental costs charged to the subfunds' assets (excerpt from § 20 of the fund contract): flat fee payable to the fund management company for the administration, asset management and distribution activity of the subfunds as well as custodian bank services pursuant to § 4. The costs set out in § 20 section 2 of the fund contract may additionally be charged to the subfund.

[3] The maximum incidental costs include standard brokerage fees, commissions, transaction costs (e.g. execution costs (currently max. USD 1.00) and slippage costs), taxes, dues and handling fees incurred in connection with the investment in physical gold, including any VAT, etc. When units are issued, the incidental costs concerned in connection with the investment of that portion of investments corresponding to the amount paid in will be added to the net asset value. When units are redeemed, the incidental costs in connection with the sale of a portion of investments corresponding to the redeemed units will be deducted from the net asset value. In relation to transfers of assets in kind in iShares Gold ETF (CH), a redemption charge of CHF 20 per bar is currently payable, subject to a minimum of CHF 150 per transfer.

[4] In accordance with § 19 section 5 of the fund contract, a separate commission is charged to the investors for transfers of assets in kind.

[5] Where assets are transferred in kind, gold is delivered or deposited within a maximum of 10 Zurich bank working days.

[6] With transfers of assets in kind, the daily cutoff point for redemptions of fund units has been fixed at 12.00 noon so that orders can be entered by the custodian bank by 3 p.m. at the latest.

[7] Change of the flat management fee charged to the subfund on 24 January 2020 from 0.30% to 0.19%.

[8] Change of the flat management fee charged to the subfund on 24 January 2020 from 0.35% to 0.22%.

**Part 2: Fund Contract**

## I. Basic Principles

### § 1 Name of the Fund; Name and Registered Office of the Fund Management Company, the Custodian Bank and the Asset Manager

1. A contractual umbrella fund of the "Other funds for traditional investments" type has been established under the name of iShares ETF II (CH) ("umbrella fund") in accordance with Art. 25 et seq. in conjunction with Art. 68 et seq. and Art. 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of June 23, 2006 (CISA). The umbrella fund is split into the following subfunds:

   a) iShares Gold ETF (CH)
   b) iShares Gold CHF Hedged ETF (CH)
   c) iShares Gold EUR Hedged ETF (CH)

2. The fund management company is BlackRock Asset Management Schweiz AG, Zurich.
3. The custodian bank is State Street Bank International GmbH, Munich, Zurich Branch.
4. The asset manager is BlackRock Advisors (UK) Limited, London, which has sub-delegated the investment decisions to BlackRock Asset Management Deutschland AG, Munich.

## II. Rights and Obligations of the Parties to the Contract

### § 2 The Fund Contract

The legal relationship between an investor and the fund management company and the custodian bank is governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

### § 3 The Fund Management Company

1. The fund management company manages the subfunds at its own discretion and in its own name, but for the account of the investors. It decides in particular on the issue of units, the assets and their valuation. It calculates the net asset value of the subfunds and determines the issue and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and subfunds.
2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They shall account for the collective investment schemes managed by them and provide information on all fees and costs charged directly or indirectly to investors as well as on compensation received from third parties, in particular commissions, rebates or other pecuniary advantages.
3. The fund management company may delegate investment decisions as well as specific tasks, provided this is in the interests of proper management. It shall commission only persons who have the necessary skills, knowledge and experience for this activity and the required licenses. It shall carefully instruct and supervise the third parties involved.. Investment decisions may only be delegated to asset managers that hold the necessary authorization.
4. The fund management company may, with the consent of the custodian bank, submit a change to the present fund contract to the supervisory authority for approval (cf. § 27)
5. The fund management company can merge the individual subfunds with other subfunds or with other investment funds pursuant to § 25 and can dissolve the umbrella fund or the individual subfunds pursuant to § 26.
6. The fund management company is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

### § 4 The Custodian Bank

1. The custodian bank is responsible for the safekeeping of the subfunds' assets. It handles the issue and redemption of fund units as well as payments on behalf of the subfunds.
2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organizational measures that are necessary for proper management. They shall account for the collective investment schemes managed by them and provide information on all fees and costs charged directly or indirectly to investors as well as on compensation received from third parties, in particular commissions, rebates or other pecuniary advantages.
3. The custodian bank is responsible for cash account and safekeeping account management on behalf of the subfunds, but does not have independent access to their assets.
4. The custodian bank ensures that in the case of transactions relating to the assets of the subfunds the counter-value is transferred thereto within the usual time limit. It notifies the fund management company if the counter-value is not refunded within the usual time limit and where possible requests reimbursement for the asset item concerned from the counterparty.
5. The custodian bank keeps the required records and accounts in such manner that it is at all times able to distinguish between the assets held in safe custody of the individual investment funds.
   In relation to assets that cannot be placed in safe custody, the custodian bank verifies ownership to the fund management company and keeps a record thereof.
6. The custodian bank may delegate the safekeeping of the assets of the subfunds to third-party custodians and central securities depositaries in Switzerland or abroad, provided this is in the interests of efficient safekeeping. It verifies and monitors whether the third-party custodian and central securities depositary:
   a) possesses an appropriate organizational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
   b) is subject to regular external audits, thereby ensuring that it possesses the financial instruments;
   c) the assets received from the custodian bank are kept in safe custody in such manner that by means of regular portfolio comparisons they can at all times be clearly identified as belonging to the subfunds' assets;
   d) complies with the provisions applicable to the custodian bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

   The custodian bank is liable for the damage caused by the agent if it cannot prove that it applied the degree of due diligence with regard to the selection, instruction and monitoring required in the given circumstances. The prospectus contains information on the risks involved in transferring the safekeeping to third-party custodians and central securities depositaries.
   Transfers of financial instruments along the lines set out in the previous paragraph may only be made to regulated third-party custodians and central securities depositaries. This does not apply to mandatory safekeeping at a location where the transfer to regulated third-party custodians and central securities depositaries is not possible, in particular due to mandatory legal provisions or the procedural details for the investment product, for example. Safekeeping by non-regulated third-party custodians or central securities depositaries must be disclosed to investors in the prospectus.
7. The custodian bank ensures that the fund management company complies with the law and the fund contract. It checks whether the calculation of the net asset value and of the issue and redemption prices of the units as well as the investment decisions are in compliance with the law and the fund contract,

and whether the income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments which the fund management company makes in accordance with the investment regulations.

8. The custodian bank is entitled to receive the fees stipulated in §§ 19 and 20. It is further entitled to be released from the liabilities assumed in the proper execution of its tasks, and to be reimbursed for expenses incurred in connection with such liabilities.

**§ 5 The Investor**

1. Investor eligibility is not subject to any restrictions (except for the sales restrictions described at section 5.4 of the prospectus).
2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of a participation in the assets and income of a subfund of the umbrella fund. The investor's claim is evidenced in the form of fund units.
3. Investors are obliged only to remit payment for the units of the subfund they subscribe. They shall not be held personally liable for the liabilities of the subfund. Investors are entitled to participate in the assets and income of only that subfund in which they hold units. Liabilities that are attributable to an individual subfund will be borne solely by the said subfund.
4. Investors may at any time request that the fund management company supply them with information regarding the basis on which the net asset value per unit is calculated. If investors express an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercising of membership rights (voting rights) and creditors' rights or risk management or the transfer of assets in kind, they must be given such information by the fund management company at any time. The investors may request at the courts of the registered office of the fund management company that the auditors or another expert investigate the matter which requires clarification and furnish the investors with a report.
5. The investors may terminate the fund contract on any day and demand that their share in the corresponding subfund be paid out in cash. Investors of the subfund **iShares Gold ETF (CH)** may submit a request for gold to be delivered to them/booked to their account ("transfer of assets in kind"). The details are laid down in § 18.
6. If requested, the investors are obliged to provide the fund management company and/or the custodian bank and their agents with proof that they comply with or continue to comply with the provisions laid down in the law or the fund contract in respect of participation in a subfund or in a unit class. Furthermore, they are obliged to inform the custodian bank, the fund management company and their agents immediately once they no longer meet these prerequisites.
7. The fund management company in conjunction with the custodian bank must make an enforced redemption of the units of an investor at the current redemption price if:
   a) this is necessary to safeguard the reputation of the financial market, specifically to combat money laundering;
   b) the investor no longer meets the statutory or contractual requirements for participation in a subfund.
8. The fund management company in conjunction with the custodian bank can also make an enforced redemption of the units of an investor at the current redemption price if:
   a) the participation of the investor in a subfund is such that it could have a significant detrimental impact on the economic interests of the other investors, in particular if the participation could result in tax disadvantages for the umbrella fund or a subfund in Switzerland or abroad;
   b) investors have acquired or hold their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;
   c) there is a detrimental impact on the economic interests of the investors, in particular in cases where individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a pecuniary gain by exploiting the time differences between the setting of the closing prices and the valuation of the subfunds' assets (market timing).

**§ 6 Units and Unit Classes**

1. The fund management company can establish different unit classes and can also merge or dissolve unit classes for each subfund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the undivided assets of the subfund concerned, which are not segmented. This share may differ due to class-specific costs or distributions or due to class-specific earnings, and the various classes may therefore have different net asset values per unit. Class-specific costs are covered by the assets of the subfund as a whole.
2. Notification of the establishment, dissolution or merger of unit classes shall be published in accordance with section 5.2 of the prospectus. Only mergers shall be deemed a change to the fund contract pursuant to § 27.
3. The various unit classes may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required and investor eligibility.
   Fees and costs are only charged to the unit class for which the respective service is performed. Fees and costs that cannot be unequivocally allocated to a unit class shall be charged to the individual unit classes on a pro rata basis in relation to their share of the subfund's assets.
4. The subfunds are not currently divided into unit classes. Only a distribution-type unit class exists ("A"); however, owing to the economic characteristics of the precious metal and the fact that fees and costs are incurred on an ongoing basis, actual distributions should not be expected.
5. Units will not take the form of actual certificates but will exist purely as book entries. The investors are not entitled to demand delivery of a registered or bearer unit certificate.
6. The custodian bank and the fund management company are obliged to instruct investors who no longer meet the prerequisites for holding a unit class to ensure within 30 calendar days that their units are redeemed pursuant to § 17, transferred to a person who does meet the aforementioned prerequisites, or switched into units of another unit class whose prerequisites they do meet. If an investor fails to comply with this demand, the fund management company must, in cooperation with the custodian bank, make an enforced switch into another unit class of the same subfund or, should this not be possible, enforce the redemption of the units in question pursuant to § 5 section 7.

## III. Investment Policy Guidelines

### A Investment Principles

**§ 7 Compliance with Investment Regulations**

1. In selecting individual investments of each subfund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the assets of the individual subfunds at market value and must be complied with at all times. The individual subfunds must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded due to a change in the delta, this is to be rectified within three Zurich bank working days at the latest, taking due account of the investors' interests.

**§ 8 Investment Policy**

1. Within the framework of the specific investment policy of each subfund pursuant to section 3, the fund management company may invest the assets of the individual subfunds in the following

investments (the risks of which must be disclosed in the prospectus):

a) Precious metals (physical and in book form).
b) Derivatives, provided (i) the underlying instruments are derivatives pursuant to section b), financial indices, interest rates, exchange rates or currencies, and (ii) the underlying instruments are permitted as investments under the fund contract. Derivatives are either traded on an exchange or other regulated market open to the public, or are traded OTC.
   OTC transactions are only permitted if (i) the counterparty is a regulated financial intermediary specializing in such transactions, and (ii) the OTC derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it shall be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.
c) On-call or term deposits with maturities of up to twelve months at banks which have their registered office in Switzerland or a member state of the European Union or in another state, provided the bank is subject to regulatory requirements which are equivalent to those of Switzerland.
d) Investments other than those specified in a) to c) above up to a total of 10% of the assets of an individual subfund. The following are not permitted: (i) investments in precious metals certificates, commodities and commodity certificates as well as (ii) short-selling of investments in accordance with a) and b) above.

2. The investment objective and investment policy of the subfunds is to replicate their respective benchmark as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the assets of the subfund in question.
   Investment objectives of the individual subfunds:

**a) iShares Gold ETF (CH)**
The investment objective and investment policy of the subfund is to match the performance of gold as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the assets of the subfund in question.

**b) iShares Gold CHF Hedged ETF (CH) and**
**c) iShares Gold EUR Hedged ETF (CH)**
The investment objective and investment policy of the subfunds is to match the performance of gold as closely as possible, subject to any deviations caused by the fees and incidental costs charged to the assets of the subfund in question. All investments not denominated in the currency of the subfund are in addition hedged against such currency as far as possible by means of forward currency transactions.

3. Investment Policy of the Subfunds:

**a) iShares Gold ETF (CH)**
The fund management company
aa) invests the assets of the subfund, after deduction of liquid assets and subject to bb), exclusively in physical gold in marketable form: that is, in bars with a standard weight of around 400 oz. (around 12.5 kg) and a purity of 995/1,000 or higher, whereby the US dollar is the investment currency for gold;bb) may hold gold in book form. Should the credit or debit balance breach the limit of 450 troy ounces (oz. tr.) (approx. 14 kg) of gold, the excess shall be corrected within three Zurich bank working days of the trade date (end of business date). The US dollar is the investment currency for gold;
cc) does not invest the subfund's assets in units of other collective investment schemes (target funds).

**b) iShares Gold CHF Hedged ETF (CH) and**
**c) iShares Gold EUR Hedged ETF (CH)**
The fund management company
aa) invests the assets of these subfunds, after deduction of liquid assets and subject to bb) and cc) exclusively in physical gold in marketable form: that is, in bars with a standard weight of around 400 troy ounces (oz. tr.) (about 12.5 kg) and a purity of 995/1,000 or higher, whereby the US dollar is the investment currency for gold;
bb) may hold gold in book form. Should the credit or debit balance breach the limit of 450 troy ounces (oz. tr.) (approx. 14 kg) of gold, the excess shall be corrected within three Zurich bank working days of the trade date (end of business date). The US dollar is the investment currency for gold;
cc) invests in derivatives on exchange rates and currencies;
dd) does not invest the assets of these subfunds in units of other collective investment schemes (target funds).

### § 9 Liquid Assets

The fund management company may also hold liquid assets for each subfund in an appropriate amount in the accounting currency of the subfund concerned, in any other currency in which investments for the subfund concerned are permitted, and as a minimum in USD, CHF, EUR, and GBP. Liquid assets comprise bank deposits at sight or on demand with maturities up to twelve months.

## B Investment Techniques and Instruments

### § 10 Precious Metals Lending

The fund management company does not enter into lending transactions in the respective precious metals.

### § 11 Securities Repurchase Agreements

The fund management company does not enter into securities repurchase agreements ("repos").

### § 12 Derivatives

1. The fund management company may use derivatives. It shall ensure that, even under extreme market circumstances, the financial effect of the use of derivatives does not result in a deviation from the investment objectives set out in the fund contract, the prospectus and in the key information documents (KID) or equivalent or that it does not change the investment character of the subfunds. Furthermore, the underlying asset of the derivatives must be permitted as investments according to the present fund contract. In connection with collective investment schemes, derivatives may only be used for currency hedging purposes. The option of hedging market, interest-rate and credit risks in collective investment schemes is reserved provided the risks are clearly identifiable and measurable.
2. For the assessment of risk, Commitment Approach I shall be applied. Taking into account the necessary coverage set out in this paragraph, the use of derivatives does not result in a leverage effect on the subfunds' assets, nor does it correspond to short selling.

3. Only basic types of derivative may be used. These comprise:
   a) Call or put options whose value at expiration is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price and is zero if the difference is preceded by the opposite algebraic sign;
   b) Swaps whose payments are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner;
   c) Future and forward transactions whose value is linearly dependent on the value of the underlying.
4. The financial effect of the derivatives is similar to either a sale (exposure-reducing derivative) or a purchase (exposure-increasing derivative) of an underlying security.
5. a) In the case of exposure-reducing derivatives, the arising obligations subject to sections b) and d) must be covered at all times by the underlyings of the derivative.
   b) Cover with investments other than the underlyings shall be permitted in the case of exposure-reducing derivatives that relate to an index which is
      – calculated by an independent external office;
      – representative of the investments serving as cover;
      – sufficiently well correlated with these investments.
   c) The fund management company must have unrestricted power to dispose of these underlyings or investments at all times.
   d) An exposure-reducing derivative can be weighted by the delta in the calculation of the corresponding underlyings.

6. In the case of exposure-increasing derivatives, the equivalent underlying asset of a derivative position must at all times be covered by near-money assets in accordance with Art. 34 para. 5 CISO-FINMA. In the case of futures, options, swaps and forwards the equivalent underlying asset is determined in accordance to Appendix 1 of CISO-FINMA.
7. The fund management company must take account of the following rules when netting derivative positions:
   a) Counter positions in derivatives based on the same underlying as well as counter positions in derivatives and in investments in the same underlying may be netted, irrespective of the maturity date of the derivatives ("netting"), provided the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, the key risks are not neglected and the conversion amount (*Anrechnungsbetrag*) of the derivatives is determined pursuant to Art. 35 CISO-FINMA.
   b) If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, in addition to the rules under let. a) above, the following conditions must be met for netting ("Hedging"): The derivative transactions may not be based on an investment strategy that serves to generate a profit. In addition, the derivative must lead to a demonstrable reduction in the risk. The risks of the derivative must be balanced. The derivatives, underlyings or assets that are to be netted must relate to the same class of financial instruments and the hedging strategy must be effective even under exceptional market conditions.
   c) Derivatives, which are used for pure hedging of foreign currency risks and which do not result in a leverage effect, or include additional market risks, can be netted without the requirements as specified under let. b) above for the calculation of total exposure from derivatives.
   d) Covered hedging transactions through interest rate derivatives are permitted. Convertible bonds can be ignored when calculating the exposure arising from derivatives.

8. The fund management company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on an exchange or another regulated market open to the public or in OTC (over-the-counter) trading.
9. a) The fund management company may conclude OTC transactions only with regulated financial intermediaries specialised in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must meet a high credit rating.
   b) It must be possible to reliably and verifiably value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
   c) If no market price is available for an OTC derivative, it must be possible to determine the price at any time by using an appropriate and recognized in practice valuation model, based on the market value of the underlyings from which the derivative was derived. Prior to the conclusion of such derivative contract, specific offers must generally be obtained from at least two potential counterparties, whereby the contract is to be concluded with the counterparty providing the most favourable offer in terms of price. Deviations from this principle are possible for reasons relating to risk diversification, or where other parts of the contract such as credit rating or the range of services offered by the counterparty deem another offer more advantageous overall for the investors. Moreover, provided this is in the best interest of investors, obtaining offers from at least two potential counterparties may exceptionally be omitted. The reasons for this as well as the conclusion of the transaction and pricing shall be documented in a transparent manner.

d) The fund management company and/or its agents may in connection with OTC-transactions only accept collateral that meets the requirements set out in Art. 51 CISO-FINMA regarding collateral. The issuer of the collateral must have a high credit rating and the collateral shall not be issued by the counterparty or a company belonging to or depending of the group of companies of the counterparty. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public and valued at least on every exchange trading day. When managing the collateral, the fund management company and/or its agents must comply with the obligations and requirements pursuant to Art. 52 CISO-FINMA. In particular, they must adequately diversify the collateral in respect of countries, markets and issuers, whereby an appropriate diversification of issuers shall be assumed, if the collateral issued by any single issuer does not account for more than 20% of net asset value of a subfund, subject to exemptions for publicly guaranteed or issued investments pursuant to Art. 83 CISO. Further, in the event of default by the counterparty, the fund management company and/or its agents must be able to obtain at any time the power of disposal and the right for disposal over the collateral received without involving the counterparty or obtaining its consent. The collateral received shall be kept safe with the custodian bank. The collateral received may be held on behalf of the fund management company with a regulated third party depository provided the ownership on the collateral is not transferred and the third party depository is independent of the counterparty.

10. In respect of compliance with the statutory and contractual investment restrictions (maximum and minimum limits), derivatives shall be taken into account in accordance with the legislation on collective investment schemes.
11. The prospectus contains further information on:
   – the importance of derivatives as part of the investment strategy;
   – the effect of the use of derivatives on the risk profile of the respective subfund;
   – the counterparty risks of derivatives;
   – the credit derivatives (where applicable); and
   – the collateral strategy.

**§ 13 Taking Up and Extending Loans**

1. The fund management company may not grant loans for the subfunds' account.
2. The fund management company may for each subfund temporarily borrow the equivalent of up to 25% of the net assets of said subfund.

**§ 14 Encumbrance of the Subfunds' Assets**

1. No more than 60% of any subfund's net assets may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the subfund concerned.
2. The subfunds' assets may not be encumbered with guarantees.

**C Investment Restrictions**

**§ 15 Risk Diversification**

1. The regulations on risk diversification pursuant to § 15 shall include the following:
   a) investments as per § 8;
   b) liquid assets as per § 9;
   c) derivative financial instruments pursuant to § 12, with the exception of index-based derivatives, provided the index is sufficiently diversified, is representative of the market it relates to and is published in an appropriate manner;
   d) claims against counterparties arising from OTC transactions.

   The regulations on risk distribution apply to each subfund individually.
2. Companies which are classified as a group under international accounting rules shall be regarded as one issuer.
3. In relation to the holding of liquid assets pursuant to § 9, the fund management company may not invest more than 20% of a subfund's total assets in sight and time deposits with a single bank.
4. The fund management company may invest up to a maximum of 5% of the assets of a subfund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in

Switzerland or in a member state of the European Union or another country in which it is subject to supervision equivalent to that in Switzerland, this limit shall be increased to 10% of the assets of the subfund concerned.
Where the claims arising from OTC transactions are hedged using collateral in the form of liquid assets pursuant to Art. 50 to 55 CISO-FINMA, such claims are not included in the calculation of counterparty exposure.

5. Investments, deposits and claims as per provs. 3 to 5 above and issued by the same issuer/borrower must not in overall terms exceed 20% of the assets of a subfund.

## IV. Calculation of the Net Asset Value and Issue and Redemption of Units

### § 16 Calculation of the Net Asset Value

1. The net asset value of each subfund is calculated in the accounting unit of the respective subfund at the market value as of the end of the financial year, for each day on which units are issued or redeemed, as well as on days when no units are issued or redeemed but a LBMA Gold Price AM is available. The subfund's assets will not be calculated on days when precious metal trading in London is closed (e.g. bank and stock exchange holidays).
2. Securities traded on a stock exchange or another regulated market open to the public shall be valued at the closing prices paid on the main market on the order day. The value of precious metal is calculated in London on the basis of end-of-day pricing for precious metals trading. Details are set out in the prospectus (see 1.3.1). Other investments or investments for which no current market value is available shall be valued at the price which would probably be obtained in a diligent sale at the time of the valuation. In such cases, the fund management company shall use appropriate and recognized valuation models and principles to determine the market value.
3. On-call and term deposits are valued on the basis of the amount due plus accrued interest. If there are significant changes in the market conditions or the credit rating, the valuation principles for term deposits will be adjusted in line with the new circumstances.
4. The net asset value of a unit of a subfund is determined by the market value of that subfund's assets, minus all that subfund's liabilities, divided by the number of units of that subfund in circulation. It will be rounded to four places after the decimal point of the unit of account.

### § 17 Issue and Redemption of Units

1. Subscription and redemption orders for units are accepted up to a certain cut-off time specified in the prospectus on the day the orders are placed. The definitive price of the units for the issues and redemptions is determined in line with the "forward pricing" principle. Details are set out in the prospectus.
2. The issue and redemption price of units is based on the net asset value per unit on the valuation day calculated on the basis of the relevant closing prices pursuant to § 16. Details are disclosed in the table at the end of the prospectus. Incidental costs (standard brokerage charges, commissions, transaction costs (e.g. execution and slippage costs), taxes, duties, handling fees for physical gold investments, including any VAT, etc.) incurred by a subfund in connection with the investment of the amount paid in, or with the sale of a redeemed portion of investments corresponding to the unit, will be charged to the assets of the corresponding subfund.
   In the case of unit issues, the incidental costs (standard brokerage fees, commissions, transaction costs (e.g. execution and slippage costs), taxes, duties, handling fees incurred in connection with the investment in physical gold, including any VAT, etc.) incurred on average by the subfund concerned in connection with the investment of that portion of investments corresponding to the amount paid in will be added to the net asset value. In the case of unit redemptions, the incidental costs (standard brokerage fees, commissions, transaction costs (e.g. execution and slippage costs), taxes, duties, handling fees incurred in connection with the investment in physical gold, including any VAT, etc.) incurred on average by the subfund concerned in connection with the sale of that portion of investments corresponding to the redeemed unit(s) will be deducted from the net asset value. Furthermore, in the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 19 and in the case of unit redemptions, a redemption commission may be deducted from the net asset value pursuant to § 19.
3. The fund management company may suspend the issue of units at any time, and may reject applications for the subscription or switching of units.
4. The fund management company may temporarily and by way of exception defer repayment in respect of units of a subfund in the interests of all investors if:
   a) if a market which is the basis for the valuation of a significant proportion of the assets of the subfund concerned is closed, or if trading on such a market is restricted or suspended;
   b) in the event of a political, economic, military, monetary or other emergency;
   c) if, owing to exchange controls or restrictions on other asset transfers, the subfund can no longer transact its business;
   d) in the event of large-scale redemptions of units of the subfund that could significantly affect the interests of the remaining investors of this subfund.
5. The fund management company shall immediately apprise the auditors and the supervisory authority of any decision to suspend redemptions.
6. The issue of units of a subfund shall be suspended for as long as the redemption of units of this subfund is delayed on the grounds referred to under section 4 a) to c).

### § 18 Payment by Transfer of Assets In Kind instead of Cash

1. a) Investors in units of the iShares Gold ETF (CH) subfund are entitled – provided they hold classes of units for which corresponding provisions are contained in the Prospectus – to submit to the custodian bank, via their account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*), a request for the redemption price calculated as per § 17 section 2 less the commission payable as per § 19 section 5 plus any other costs ("redemption amount") to be delivered/booked to their account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*) in gold ("transfer of assets in kind") instead of payment of the cash redemption price calculated as per § 17 section 2. This is subject, however, to any monetary policy-related or other measures taken by government authorities as well as any other circumstances that prohibit the delivery of physical gold for the specific subfund or complicate it in such a way that the custodian bank or applicable direct and indirect subcustodians cannot reasonably be expected to proceed with a transfer of assets in kind. The entitlement, in the appropriate unit classes, to a transfer of assets in kind is basically limited to a standard unit of 1 bar of approx. 400 troy ounces (oz. tr.) (approx. 12.5 kg) of purity 995/1,000 or higher as per the types of assets set forth in § 8 section 3 of the fund contract. There shall be no obligation to comply with a request for a transfer of assets in kind if the redemption amount does not correspond to the number of units deliverable or if a minimum of one standard unit of gold is not available to cover this amount. Neither shall there be an obligation to comply with a request for a transfer of assets in kind if such request is not submitted by a bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*).
   b) The investors in question must submit their request for a transfer of assets in kind to the custodian bank via their account-/safekeeping bank within the meaning of the Swiss Federal Law on Banks and Savings Banks (*Bundesgesetz über die Banken und Sparkassen*) together with the request for the redemption of their fund units.

c) The place and applicable additional modalities of the delivery of gold are specified in the Prospectus. The place of delivery must be located in Switzerland. If an investor prefers the gold to be delivered at another location, he/she must submit a corresponding request to the custodian bank together with the redemption request. The custodian bank as well as applicable direct or indirect subcustodians are not obligated to comply with such a request. Should the transfer take place at a location other than that specified in the prospectus, the additional costs (transport, insurance, etc.) and any associated tax payable shall be invoiced to the investor in addition to the commission as per § 19 section 5. No deliveries are made outside of Switzerland.
d) For transfers of assets in kind, the fund management company produces a report itemizing the individual assets transferred, the market value of these assets at the time of transfer, the number of units redeemed in exchange, and a possible settlement of fractions in cash.
e) With each transfer of assets in kind, the custodian bank shall verify compliance by the fund management company with its fiduciary obligations as well as the valuation of the assets transferred and of the units returned as at the cutoff date. The custodian bank shall immediately report any reservations or complaints to the auditors.
f) Transfers of assets in kind must be itemized in the annual report.

2. Regarding the entitlement of investors with units of the corresponding unit classes to the transfer of assets in kind in the event of liquidation, please see § 26 section 6.
3. The entitlement to the transfer of assets in kind is limited to the gold currently held by the subfund.
4. The fund management company and the custodian bank are not obligated to comply with a request for a transfer of assets in kind if the investor does not agree with the terms of said request whereby information required for the transaction (especially regarding the client's relationship with the custodian bank or third-party banks) must be disclosed between the bank concerned, the custodian bank and the fund management company, depending on where the account is held.

## V. Fees and Incidental Costs

### § 19 Fees and Incidental Costs Charged to the Investor

1. In the case of unit issues, investors will be charged an issuing fee of up to 5% of the net asset value, such fees accruing to the fund management company. This also applies to individual subscriptions made as part of any kind of fund investment program; in such cases, no additional costs incurred for individual instalments may be charged. The current authoritative maximum rate is stated in the prospectus.
2. On the redemption of fund units, investors will be charged a redemption commission accruing to the fund management company of up to 3% of the net asset value. This also applies to redemptions made as part of any kind of fund investment program; in such cases, no additional costs incurred for individual withdrawals may be charged. Where payment is made by a transfer of assets in kind instead of cash as per § 18, the fund management company may partly or fully waive payment of the redemption commission payable to the fund management company. The current authoritative maximum rate is stated in the prospectus.
3. On the issue and redemption of fund units, the fund management company additionally charges, in favor of the corresponding subfund, the ancillary costs incurred on average by the subfund on investment of the amount paid in or arising from the sale of that portion of the assets which correspond to the unit redeemed (cf. § 17, section 2). The current authoritative maximum rate is stated in the prospectus.
4. For the distribution of liquidation proceeds in the event of the subfund's dissolution, investors may be charged a commission of 0.5% of the net asset value of their units.
5. Where payment is made by a transfer of assets in kind instead of cash as per § 18, a commission is payable to the fund management company equivalent to a maximum of 0.10% of the standard unit of 1 bar of approx. 400 troy ounces (oz. tr.) (approx. 12.5 kg) of purity 995/1,000 or higher plus any value added tax at the currently applicable rate. Other costs (minting, delivery, insurance, deduction for difference in purity, etc.) plus value added tax at the currently applicable rate may be charged to the investor as incurred. This commission and other possible costs are due when the assets are actually delivered and are taking into account when the redemption amount as per § 18 section 1 is calculated.

### § 20 Fees and Incidental Costs Charged to the Subfunds' Assets

1. For the administration, asset management and distribution activity in relation to the subfunds as well as all tasks performed by the custodian bank (such as safekeeping of the fund assets, the handling of payment transactions and other tasks listed under § 4), the fund management company shall charge the subfunds a flat fee not exceeding 0.50% p.a. of the subfund's net assets, to be charged to the fund assets on a pro rata basis every time the net asset value is calculated, and paid out at the end of each quarter.
   The rate of the flat management fee actually charged is stated in the table at the end of the prospectus and can also be found in the annual and semi-annual reports.
2. The following fees and incidental costs of the fund management company and the custodian bank are not included in the flat-rate fee and may be charged additionally to the respective subfunds' assets:
   a. costs for the purchase and sale of the investments, specifically standard brokerage fees, commissions, transaction costs (e.g. execution and slippage costs), taxes and duties in connection with the maintenance fee for the investment in physical gold incl. applicable VAT;
   b. all costs incurred as a result of extraordinary steps taken by the fund management company, the asset manager of collective investment schemes or the custodian bank to safeguard investors' interests;
   c. the supervisory authority's fees in relation to the establishment, amendment, liquidation or merger of the umbrella fund or the subfunds;
   d. the supervisory authority's annual fees;
   e. the audit firm's fees for annual auditing as well as certification in the case of establishment, amendments, liquidation or mergers of the umbrella fund or the subfunds;
   f. fees for legal and tax advisors in connection with the establishment, amendment, liquidation or merger of the umbrella fund or the subfunds, as well as generally upholding the interests of the umbrella fund or the subfunds and its or their investors;
   g. the cost of publishing the net asset value of the umbrella fund or the subfunds, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;
   h. the cost of printing legal documents, as well as the umbrella fund's annual and semi-annual reports;
   i. the cost of any registration of the umbrella fund or the subfunds with a foreign supervisory authority, and specifically the commissions levied by the foreign supervisory authority, translation costs, and remuneration for the representative or paying agent abroad;
   j. costs relating to the exercising of voting rights or creditors' rights by the umbrella fund or the subfunds, including the cost of fees paid to external advisors;
   k. Costs and fees associated with intellectual property registered in the name of the umbrella fund and/or a sub-fund or rights of use (incl. costs and fees associated with index or benchmark licences) of the umbrella fund or sub-funds respectively.
3. The fund management company, its agents and the custodian bank generally do not pay retrocessions as remuneration for distribution activity in respect of fund units in or from Switzerland. They may however use some of its fees to pay for selected services in certain situations. For example, the fund management company may pay third parties to facilitate joint marketing initiatives, to train and educate clients and client advisers, to report on trading in the secondary market, and to

provide access to fund holding data which is otherwise unavailable. The prospectus shall contain further information whether and, if applicable, under which further conditions such fees may be paid. Moreover, the fund management company, its agents and the custodian bank may pay rebates pursuant to the provisions of the prospectus in order to reduce the fees and costs attributable to the investor and charged to the respective subfund.

4. If the fund management company acquires units of other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect stake ("related target funds"), no issuing or redemption commissions of the related target funds may be charged to the umbrella fund and subfunds.

## VI. Financial Statements and Audits

### § 21 Financial Statements

1. The accounting currencies of the individual subfunds are set out in the table at the end of the prospectus.
2. The financial year runs from June 1 until May 31 of the following year. The initial financial year of the subfunds runs from the date of their launch until May 31, 2010.
3. The fund management company shall publish an audited annual report for the umbrella fund and subfunds respectively within four months of the end of the financial year.
4. The fund management company shall publish a semi-annual report for the umbrella fund and subfunds respectively within two months following the end of the first half of the financial year.
5. The investor's right to obtain information under § 5 section 4 is reserved.

### § 22 Audits

The auditors shall each year examine whether the fund management company and the custodian bank have acted in compliance with the legal and contractual provisions and if applicable the code of conduct of the Asset Management Association Switzerland (AMAS). The annual report shall contain a short report by the auditors on the published annual financial statements.

## VII. Treatment of Net Income

### § 23

1. The net income of the individual subfunds shall be distributed annually to the investors within four months of the end of the financial year of the respective subfund's unit of account.
   The fund management company may make additional interim distributions from the income.
   Owing to the economic characteristics of the precious metal and the fact that fees and costs are incurred on an ongoing basis, actual distributions should not be expected.
   Up to 30% of the net income of a distribution-type subfund may be carried forward to the new account. If the net income in a financial year including income carried forward from previous financial years is less than 1% of the net assets of a subfund and less than CHF 1, USD 1, EUR 1 or JPY 100 per unit (depending on reference currency), a distribution may be waived and the entire net income may be carried forward to the new account.
2. Capital gains realized on the sale of assets and rights can be distributed by the fund management company or retained for the purpose of reinvestment.

## VIII. Publication of Official Notices by the Umbrella Fund and Subfunds

### § 24

1. The medium of publication of the umbrella fund and subfunds is deemed to be the print medium or electronic medium specified in the prospectus. Notification of any change in the medium of publication shall be published in the medium of publication.
2. The following information shall in particular be published in the medium of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge, any change of fund management company and/or custodian bank, the creation, dissolution or merger of unit classes, as well as the liquidation of the umbrella fund or of the subfunds. Amendments that are required by law that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.
3. Each time units are issued or redeemed, the fund management company shall publish both the issue and the redemption prices or the net asset value together with a footnote "excluding commissions" in the medium of publication specified in the prospectus. The prices shall be published at least twice per month.
4. The prospectus including the fund contract, the key information document (KID) or equivalent and also the annual and semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

## IX. Restructuring and Dissolution

### § 25 Mergers

1. Subject to the consent of the custodian bank, the fund management company can merge individual subfunds with other subfunds or other investment funds by transferring – as of the time of the merger – the assets and liabilities of the subfund(s) or fund(s) being acquired to the acquiring subfund or fund. The investors of the subfund(s) or fund(s) being acquired shall receive the corresponding number of units in the acquiring subfund or fund. The subfund(s) or fund(s) being acquired is/are terminated without liquidation when the merger takes place, and the fund contract of the acquiring subfund or fund shall also apply for the subfund(s) or fund(s) being acquired.
2. Subfunds and funds may be merged only if:
   a) provision for this is made in the relevant fund contracts;
   b) they are managed by the same fund management company;
   c) the relevant fund contracts are basically identical in terms of the following provisions:
      – the investment policy, investment techniques, risk diversification, as well as the risks associated with the investment
      – the appropriation of net income and capital gains from the sale of assets and rights
      – the type, amount and calculation of all fees, the issue and redemption commission together with the incidental costs for the purchase and sale of the investments (brokerage fees, charges, duties) that may be charged to the assets of the funds or subfunds or to the investors
      – the redemption conditions
      – the duration of the contract and the conditions of dissolution;
   d) the assets of the funds concerned are valued, the exchange ratio is calculated, and the assets and liabilities are acquired on the same day;
   e) no costs shall arise as a result for either the funds or subfunds or the investors,
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the funds or subfunds involved.
4. The fund management company must submit the proposed merger together with the merger schedule to the supervisory authority for review at least one month before the planned publication of the intended changes to the fund contract. The merger schedule must contain information on the reasons for the merger, the investment policies of the funds or subfunds involved and any differences between the acquiring fund or subfund and the fund(s) or subfund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the funds or subfunds, as well as a statement from the competent statutory auditors for collective investment schemes.
5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 24

section 2 and the proposed merger and its timing together with the merger schedule at least two months before the planned date of merger in the medium of publication of the subfunds or funds involved. In this notice, it must inform the investors that they may lodge objections against the proposed changes to the fund contract with the supervisory authority within 30 days of the publication of the notice, or request redemption of their units, or request for a transfer of assets according to § 18.

6. The auditors must check directly that the merger is being carried out correctly, and shall submit a report containing their comments in this regard to the fund management company and the supervisory authority.
7. The fund management company shall inform the supervisory authority of the conclusion of the merger and shall publish notification of the completion of the merger, the confirmation from the auditors regarding the proper execution of the merger and the exchange ratio without delay in the medium of publication of the funds or subfunds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring fund or subfund and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the fund(s) or subfund(s) being acquired.

**§ 26 Duration of the Subfunds and Dissolution**

1. The individual subfunds have been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve some or all of the subfunds by terminating the fund contract without notice.
3. The subfund may be dissolved by order of the supervisory authority, in particular if at the latest one year after the expiry of the subscription period (launch) or a longer extended period approved by the supervisory authority at the request of the custodian bank and the fund management company it does not have net assets of at least CHF 5 million (or the equivalent).
4. The fund management company shall inform the supervisory authority of the dissolution immediately and shall publish notification in the medium of publication.
5. Once the fund contract has been terminated, the fund management company may liquidate the subfund forthwith. If the supervisory authority has ordered the dissolution of the subfund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in installments. Prior to the final payment, the fund management company must obtain authorization from the supervisory authority.
6. The provisions in § 18 regarding transfers of assets in kind shall also apply, mutatis mutandis, in the event of liquidation. Investors in the corresponding unit classes who wish to have their liquidation proceeds transferred to them in the form of gold must submit a corresponding request to the custodian bank. This request must be received by the custodian bank not later than 15 bank working days in Zurich after the date on which the liquidation of the relevant subfund is published. In the event of the subfunds or umbrella fund being liquidated, the investor's entitlement to a transfer of the assets in kind shall be limited to the corresponding gold holdings of the subfunds or umbrella fund respectively. If all investors who are entitled to the transfer of assets in kind request such a transfer in the event of liquidation to an extent that exceeds the corresponding gold holdings, the transfer shall be reduced pro rata, with part of the payment being made in cash.

## X. Changes to the Fund Contract

**§ 27**

If changes are made to the present fund contract, or if a change of the fund management company or of the custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days of the corresponding publication. In this publication, the fund management company informs investors which amendments to the fund contract are covered by FINMA's verification and ascertainment of compliance with the Act. In the event of a change to the fund contract, the investors can also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 24 section 2 that have been exempted from the duty to publish with the approval of the supervisory authority.

## XI. Applicable Law and Place of Jurisdiction

**§ 28**

1. The umbrella fund and the individual subfunds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of June 23, 2006 (CISA), the Ordinance on Collective Investment Schemes of November 22, 2006 (CISO) and the Ordinance of the Swiss Financial Market Supervisory Authority on Collective Investment Schemes of 27 August 2014 (CISO-FINMA).
   The court of jurisdiction is the court at the fund management company's registered office.
2. When approving the fund contract or any amendment to the fund contract, FINMA exclusively examines the provisions pursuant to Art. 35a para. 1 a-g CISO and establishes whether they comply with the law.
3. For the interpretation of the fund contract, the German-language version shall be binding.
4. The present fund contract takes effect on 1 July 2022.
5. The present fund contract replaces the fund contract dated 25 May 2018.

Date of approval of the fund contract by the Swiss Financial Market Supervisory Authority: 28 June 2022.

iShares
by BlackRock