The Directors of the Company whose names appear both on the Company's directorship register and under the heading "Management of the Company" accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

iShares by BlackRock

# iShares Public Limited Company
# Swiss Extract Prospectus

Dated 27 October 2020

*(An umbrella investment company with variable capital and having segregated liability between its Funds incorporated with limited liability in Ireland under registration number 319052 and authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended)*

**iShares $ Corp Bond Interest Rate Hedged UCITS ETF**
**iShares $ Corp Bond UCITS ETF**
**iShares $ Treasury Bond 0-1yr UCITS ETF**
**iShares $ Treasury Bond 1-3yr UCITS ETF**
**iShares $ Treasury Bond UCITS ETF**
**iShares € Corp Bond Large Cap UCITS ETF**
**iShares € Govt Bond 1-3yr UCITS ETF**
**iShares € High Yield Corp Bond UCITS ETF**
**iShares € Inflation Linked Govt Bond UCITS ETF**
**iShares £ Corp Bond 0-5yr UCITS ETF**

**iShares AEX UCITS ETF**
**iShares Asia Pacific Dividend UCITS ETF**

**iShares China Large Cap UCITS ETF**
**iShares Core £ Corp Bond UCITS ETF**
**iShares Core FTSE 100 UCITS ETF**
**iShares Core MSCI EM IMI UCITS ETF**
**iShares Core S&P 500 UCITS ETF USD (Dist)**
**iShares Euro Dividend UCITS ETF**
**iShares EURO STOXX Mid UCITS ETF**
**iShares EURO STOXX Small UCITS ETF**
**iShares Euro Total Market Growth Large UCITS ETF**

**iShares Euro Total Market Value Large UCITS ETF**
**iShares European Property Yield UCITS ETF**
**iShares FTSE 250 UCITS ETF**

**iShares Global Corp Bond UCITS ETF**
**iShares Global High Yield Corp Bond UCITS ETF**
**iShares MSCI AC Far East ex-Japan UCITS ETF**
**iShares MSCI Brazil UCITS ETF USD (Dist)**
**iShares MSCI Eastern Europe Capped UCITS ETF**
**iShares MSCI EM UCITS ETF USD (Dist)**
**iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist)**
**iShares MSCI Europe ex-UK UCITS ETF**
**iShares MSCI Japan UCITS ETF USD (Dist)**
**iShares MSCI Japan USD Hedged UCITS ETF (Acc)**
**iShares MSCI Korea UCITS ETF USD (Dist)**
**iShares MSCI North America UCITS ETF**
**iShares MSCI Taiwan UCITS ETF**
**iShares MSCI World UCITS ETF**
**iShares UK Dividend UCITS ETF**

THIS IS AN EXTRACT OF THE PROSPECTUS FOR ISHARES PLC. THIS EXTRACT OF THE PROSPECTUS IS AN EXTRACT FOR OFFER TO NON-QUALIFIED INVESTORS IN SWITZERLAND ONLY AND IT DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF IRISH APPLICABLE LAW. THIS EXTRACT OF THE PROSPECTUS REFERS TO THE OFFERING OF THE FUNDS LISTED HEREIN.

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Distribution of this document is not authorised unless it is accompanied by a copy of the latest annual report and audited financial statements and, if published thereafter, the latest semi-annual report and unaudited financial statements. Such reports will form part of this Prospectus.

## IMPORTANT INFORMATION

***This document contains important information and should be read carefully before investing. If you have any questions about the content of this Prospectus you should consult your broker, intermediary, bank manager, legal adviser, financial accountant or other independent financial adviser.***

***The value of the Shares and any income from them may go down as well as up and accordingly an investor may not get back the full amount invested.***

***An investment in the Funds of the Company should not constitute a substantial proportion of an investment portfolio and may not be suitable for all investors. Please refer to the "Risk Factors" section for more information. As determined as at the date of this Prospectus, the Net Asset Value of each of iShares € High Yield Corp Bond UCITS ETF, iShares AEX UCITS ETF, iShares China Large Cap UCITS ETF, iShares Core MSCI EM IMI UCITS ETF, iShares Euro Dividend UCITS ETF, iShares EURO STOXX Mid UCITS ETF, iShares EURO STOXX Small UCITS ETF, iShares Euro Total Market Value Large UCITS ETF, iShares European Property Yield UCITS ETF, iShares Global High Yield Corp Bond UCITS ETF, iShares MSCI AC Far East ex-Japan UCITS ETF, iShares MSCI Brazil UCITS ETF USD (Dist), iShares MSCI Eastern Europe Capped UCITS ETF, iShares MSCI EM UCITS ETF USD (Dist), iShares MSCI Japan USD Hedged UCITS ETF (Acc), iShares MSCI Korea UCITS ETF USD (Dist) and iShares MSCI Taiwan UCITS ETF is likely to have a high volatility due to the nature of the investment policies of these Funds as reflected in their risk and reward profiles as set out in the relevant KIID.***

*Capitalised terms used in this Prospectus are defined on pages 7 to 13.*

*The distribution of this Prospectus and the offering or purchase of the Shares of the Company may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Account Opening Form and Dealing Form in any such jurisdiction may treat this Prospectus or such Account Opening Form and Dealing Form as constituting an invitation to them to purchase or subscribe for Shares, nor should they in any event use such Account Opening Form and Dealing Form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Account Opening Form and Dealing Form could lawfully be used. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares pursuant to this Prospectus to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and subscribing, holding or disposing of such Shares and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence, incorporation or domicile, including any requisite government or other consents and the observing of any other formalities.*

*The Shares of each Fund will normally be primarily listed and admitted for trading on the main market of the LSE (but may be primarily listed on an alternative stock exchange). It is also intended that the Shares of each Fund will be listed and admitted for trading on a number of other stock exchanges (including without limitation, Frankfurt Stock Exchange (XTF Exchange Traded Fund platform), SIX Swiss Exchange, NYSE Euronext Amsterdam, Borsa Italiana, Bolsa Mexicana de Valores (Mexican Stock Exchange) and CBOE (Chicago Board Options Exchange)) but the Company does not warrant or guarantee that such listings will take place or continue to exist. In the event that such listings do take place, the primary listing of the Shares of the Funds will normally be on the main market of the LSE (although a number of Funds may be primarily listed on an alternative stock exchange) and any other listings shall be secondary to the primary listing.*

*For details of where Shares are listed or admitted for trading, please refer to the official iShares website (www.ishares.com).*

*It is possible that in certain jurisdictions, parties entirely unaffiliated with the Company (and any Fund), the Manager or the Investment Manager, may make the Shares of any Fund(s) available for investment by investors in those jurisdictions through off market trading mechanisms. Neither the Company, nor the Manager, nor the Investment Manager, endorse or promote such activities and are not in any way connected to such parties or these activities and do not accept any liability in relation to their operation and trading.*

***The Shares have not been, and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Shares may not be offered or sold directly or indirectly in the United States or for the account or benefit of any US Person. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law.***

***Shares may not, except pursuant to a relevant exemption, be acquired or owned by, or acquired with the assets of an ERISA Plan.***

***Additionally, Shares may not be acquired by a person who is deemed to be a US Person under the 1940 Act and regulations thereunder or a person who is deemed to be a US Person under the CEA and regulations thereunder.***

***The Shares have not been, nor will they be, qualified for distribution to the public in Canada as no prospectus for the Company has been filed with any securities commission or regulatory authority in***

***Canada or any province or territory thereof. This document is not, and under no circumstances is to be construed as, an advertisement or any other step in the furtherance of a public offering of Shares in Canada. No Canadian Resident may purchase or accept a transfer of Shares unless he is eligible to do so under applicable Canadian or provincial laws.***

***In order to ensure compliance with the restrictions referred to above, the Company is, accordingly, not open for investment by any non-Qualified Holder except in exceptional circumstances and then only with the prior consent of the Directors or Manager. A prospective investor may be required at the time of acquiring Shares to represent that such investor is a Qualified Holder and is not acquiring Shares for or on behalf of a non-Qualified Holder. The granting of prior consent by the Directors to an investment does not confer on the investor a right to acquire Shares in respect of any future or subsequent application.***

*Applicants for Shares will be required to declare if they are a US Person. Investors (whether they invested through the Primary Market or the Secondary Market) are required to notify the Administrator immediately in the event that they cease to be a Qualified Holder. Where the Company becomes aware that any Shares are directly or beneficially owned by a non-Qualified Holder, it may redeem the Shares so held compulsorily and may also impose a fee on each such person who is not a Qualified Holder to compensate the Company for any loss it has suffered (or may suffer) in respect of such holding of Shares.*

*Each Fund which invests physically in Indian securities ("Fund with India Exposure") is required to be registered as a Category II FPI under the SEBI Regulations. In order to be registered as a Category II FPI, each Fund with India Exposure is required to demonstrate that it satisfies the following broad based criteria: (i) The Fund must have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. (ii) No investor shall hold over 49% of the Shares (by number and value) of the Fund. Institutional investors who hold over 49% of a Fund with India Exposure must themselves comply with broad based criteria. Underlying beneficial owners who hold over 25% of the Fund are required to provide their consent to the FPI registration and, to that end, have their client information disclosed to the relevant depository participant and Securities and Exchange Board of India. For the reasons above,* ***no investor in a Fund with India Exposure may hold over 49% of Shares (by number and value) of the Fund (apart from Common Depositary's Nominee)****.* ***Any investor who holds more than 25% of the Shares (by number and value) of a Fund with India Exposure hereby consents to the FPI registration of the relevant Fund and consents to have their client information disclosed to the Company and to the relevant depository participant and SEBI by brokers, custodians, nominees, local Central Securities Depositaries, International Central Securities Depositaries, and any other intermediary and by the Company and its service providers.***

*Shares in each Fund with India Exposure have not been and will not be registered under the laws of India and are not intended to benefit from any laws in India promulgated for the protection of shareholders. Shares in each Fund with India Exposure are not being offered to, and may not be, directly or indirectly, sold or delivered within India, acquired by, transferred to or held for the benefit of an Indian Origin Restricted Entity or to any person for re-offering or re-sale directly or indirectly to an Indian Origin Restricted Entity. The Company does not knowingly permit the sale of Shares of each Fund with India Exposure or any beneficial interests therein to Indian Origin Restricted Entities.*

*A prospective investor in a Fund with India Exposure may be required at the time of acquiring Shares (or subsequently) to represent that such investor is not an Indian Origin Restricted Entity and/or is not acquiring Shares for or on behalf of an Indian Origin Restricted Entity. Shareholders in a Fund with India Exposure are required to notify the Company and Investment Manager immediately in the event that they become Indian Origin Restricted Entities or hold Shares for the benefit of Indian Origin Restricted Entities. The Company, the Manager or the Investment Manager may request information from Shareholders on themselves and the beneficial owners of the Shares for the purpose of determining whether or not the Shareholders or the beneficial owners are Indian Origin Restricted Entities. By investing in a Fund with India Exposure (whether directly or indirectly), investors consent to the provision of such information and to any disclosure of such information to the Company, the Manager and the Investment Manager.*

*If it comes to the attention of the Company that any Shares in a Fund with India Exposure are legally or beneficially owned, directly or indirectly, by any person in breach of the above restrictions, whether alone or in conjunction with any other person, it will, to the extent the Shares can be identified and redeemed, compulsorily redeem the Shares so held. Where Shares are compulsorily redeemed, the investor will receive the proceeds less costs incurred and less such amounts as may be required to compensate or indemnify the Company, the Manager and the Investment Manager for any loss suffered (or may be suffered) by any of them in respect of the holding of Shares by or for the benefit of an Indian Origin Restricted Entity.*

*If any Shareholder or beneficial owner fails to disclose the requested information and, due to such nondisclosure or inadequate disclosure, the Directors believe there is an issue regarding such Shareholder and/or the beneficial owner being an Indian Origin Restricted Entity, the Company will, to the extent the Shares can be identified and redeemed, compulsorily redeem the Shares in the relevant Fund with India Exposure held by or for the benefit of such person.*

*Where Shares are compulsorily redeemed, the investor will receive any proceeds less costs incurred and less such amounts as may be required to compensate or indemnify the Company, the Manager and the Investment Manager for any loss suffered (or may be suffered) by any of them in respect of the holding of Shares by or for the benefit of such person.*

*Any person who breaches any of the above restrictions shall indemnify each of the Company, the Manager and the Investment Manager from any losses or claims suffered or incurred by any of them in connection with such breach.*

*Shares are offered only on the basis of the information contained in the current Prospectus and the latest annual report and audited financial statements and any subsequent semi-annual report and unaudited financial statements. These reports will form part of this Prospectus.*

*Any further information or representation given or made by any dealer, salesman or other person should be disregarded and, accordingly, should not be relied upon.*

*Statements made in this Prospectus are based on the Directors' understanding of the law and practice currently in force in Ireland and are subject to changes therein. Figures contained in this Prospectus are accurate as at the date of this Prospectus only and are subject to changes therein.*

*This Prospectus may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus. To the extent that there is any inconsistency between the English language Prospectus and the Prospectus in another language, the English language Prospectus will prevail, except to the extent (and only to the extent) that it is required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a Prospectus in a language other than English, the language of the Prospectus on which such action is based shall prevail. Any disputes as to the terms of the Prospectus, regardless of the language of the Prospectus, shall be governed by and construed in accordance with the laws of Ireland. Additionally, each investor irrevocably submits to the jurisdiction of the courts of Ireland for resolution of any disputes arising out of or in connection with the offering of Shares in the Company.*

*The Company may make application to register and distribute its Shares in jurisdictions outside Ireland. In the event that such registrations take place, local regulations may require the appointment of paying/facilities agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary rather than directly to the Depositary bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary and (b) redemption monies payable by such intermediate entity to the relevant investor. The fees and expenses in connection with the registration and distribution of Shares in such jurisdictions, including the appointment of representatives, distributors or other agents in the relevant jurisdictions and the production of local country information documents, will be at normal commercial rates and may be borne by the Company and/or the Funds.*

*This Prospectus, and the KIID for the relevant Fund and/or Share Class, should each be read in its entirety before making an application for Shares.*

*While not forming part of the investment objectives or investment policies of the Funds, investors should note the provisions relating to taxation in Germany set out in the section entitled "German Taxation".*

## DATA PROTECTION

***Investors should note that the Company and/or Manager may handle their personal data (within the meaning of GDPR, "Personal Data") or Personal Data of individuals connected with an investor's directors, officers, employees and/or beneficial owners.***

***The privacy notice prepared in respect of the Company and the Manager in its capacity as the management company of the Company (the "Privacy Notice") contains information on the collection, use, disclosure, transfer and processing of Personal Data by the Company and/or Manager and sets out the rights of individuals in relation to their Personal Data held by the Company and/or Manager.***

***The Privacy Notice is available at www.ishares.com.***

***Requests for further information in relation to the Company's use, Manager's use and/or BlackRock's use of Personal Data 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.***

# DIRECTORY

**iShares public limited company**
J.P. Morgan
200 Capital Dock
79 Sir John Rogerson's Quay
Dublin 2
D02 RK57
Ireland

**Board of Directors of the Company**
Paul McNaughton
Paul McGowan
Barry O'Dwyer
Jessica Irschick
Ros O'Shea
Deirdre Somers
Teresa O'Flynn

**Manager**
BlackRock Asset Management Ireland Limited
1st Floor
2 Ballsbridge Park
Ballsbridge
Dublin 4
D04 YW83
Ireland

**Investment Manager and Promoter**
BlackRock Advisors (UK) Limited
12 Throgmorton Avenue
London EC2N 2DL
England

**Depositary**
State Street Custodial Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

**Administrator and Registrar**
State Street Fund Services (Ireland) Limited
78 Sir John Rogerson's Quay
Dublin 2
Ireland

**Secretary**
Sanne
4th Floor
76 Baggot Street Lower
Dublin 2
Ireland

**Auditors and Reporting Accountant**
Deloitte Ireland LLP
Deloitte & Touche House
Earlsfort Terrace
Dublin 2
Ireland

**Legal Advisors (as to Irish Law)**
William Fry
2 Grand Canal Square
Dublin 2
Ireland

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# DEFINITIONS

*"Account Opening Form",* such account opening form or application form (as the context requires) as the Directors may prescribe, to be completed by the Authorised Participant for the purposes of opening a Primary Market dealing account in relation to the Company and/or relevant Fund; or to be completed by the Common Depositary's Nominee for the purposes of applying for Shares of the Funds to be issued in its name and to include authorisation for the Company to deal with Authorised Participants (as applicable).

"*Accumulating Share Class*", a Share Class designated as being "Accumulating" in the list of Share Classes listed under the heading "Classes of Share" in "The Company" section of this Prospectus or "Acc" in the "Current and Launched Share Classes" table in "The Company" section of this Prospectus and in respect of which income and other profits will be accumulated and reinvested.

*"Act"*, the Companies Act 2014 (of Ireland), as may be amended.

*"Administrator"*, State Street Fund Services (Ireland) Limited, and/or such other person as may be appointed, with the prior approval of the Central Bank, to provide administration, transfer agency and registrar services to the Company.

"*Administration Agreement*", the agreement made between the Manager and the Administrator in respect of the provision of administration, transfer agency and registrar services to the Company as may be amended from time to time in accordance with the requirements of the Central Bank.

*"ADR",* American Depository Receipt.

*"Affiliate", a* company which has the ultimate parent of the Investment Manager as its ultimate parent, or a company in which the ultimate parent of the Investment Manager has at least 50% direct or indirect ownership.

*"Articles"*, the Articles of Association of the Company, as amended from time to time.

*"Australian Dollar" or "AUD",* the lawful currency of the Commonwealth of Australia.

*"Authorised Participant*", a market maker or broker entity which is registered with the Company as an authorised participant and therefore able to subscribe directly to, or redeem directly from, the Company for Shares in a Fund (i.e. the Primary Market).

*"Barclays Capital",* a division of Barclays PLC.

*"Base Currency",* the base currency of a Fund.

*"Benchmark Index",* in relation to a Fund, the index against which the return of the Fund will be compared.

"*Benchmarks Regulation*", Regulation (EU) 2016/1011 of the European Parliament and of the Council.

*"Benchmarks Regulation Register", register of administrators and benchmarks maintained by ESMA under the Benchmarks Regulation.*

"*Benefit Plan Investor*" shall have the meaning contained in Section 3(42) of US Employee Retirement Income Security Act of 1974 ("ERISA"), and includes (a) an ''employee benefit plan'' as defined in Section 3(3) of ERISA that is subject to Part 4 of Title I of ERISA; (b) a ''plan'' described in Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code; and (c) an entity whose underlying assets include ''plan assets'' by reason of an employee benefit plan's or a plan's investment in such entity. For purposes of the foregoing, a ''Benefit Plan Investor'' does not include a governmental plan (as defined in Section 3(32) of ERISA), a non-US plan (as defined in Section 4(b)(4) of ERISA) or a church plan (as defined in Section 3(33) of ERISA) that has not elected to be subject to ERISA.

*"BlackRock Group",* the BlackRock, Inc. group of companies and any of their affiliates and connected persons.

*"Board of Directors",* the board of Directors of the Company.

*"Bond Connect",* is an initiative launched in July 2017 for mutual bond market access between the PRC and Hong Kong, established by the CFETS, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, HKEX and Central Moneymarkets Unit.

*"Business Day"*, in relation to all Funds, a day on which markets are open for business in England (or such other day as the Directors may from time to time determine subject to advance Shareholder notice).

*"Canadian Dollar" or "CAD",* the lawful currency of Canada.

*"Canadian Resident"*, a person resident in Canada for the purposes of Canadian income tax legislation.

"*Capital Market Authority*" or "*CMA*" the securities and investments regulatory authority in the KSA, and its successors and assigns.

"*Cash Component*", the cash component of the Portfolio Composition File. The Cash Component will be made up of three elements, namely, (i) the accrued dividend attributable to Shares of a particular Share Class of the Fund (generally dividends and interest earned less fees and expenses incurred since the previous distribution), (ii) cash amounts representing amounts arising as a result of rounding the number of Shares to be delivered, capital cash held by the Fund or amounts representing differences between the weightings of the Portfolio Composition File and the Fund and (iii) any Duties and Charges which may be payable.

*"CCASS",* the Hong Kong Central Clearing and Settlement System.

"*CEA",* the Commodities Exchange Act (of the United States), as amended.

"*Central Bank"*, the Central Bank of Ireland or any successor thereof.

"*Central Bank UCITS Regulations"*, Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as may be amended or replaced.

"*Central Securities Depositaries",* such Recognised Clearing Systems which are national settlement systems for individual national markets. As the Funds issue Shares through the International Central Securities Depositary settlement system, Central Securities Depositaries would be Participants in an International Central Securities Depositary.

*"CFETS",* the China Foreign Exchange Trade System & National Funding Centre.

"*China A Shares"*, securities of companies that are incorporated in the PRC and denominated and traded in Renminbi on the Shanghai and Shenzhen Stock Exchanges.

"*ChinaClear",* means China Securities Depositary and Clearing Corporation Limited which is the PRC's central securities depository in respect of China A Shares.

"*Clearstream",* Clearstream Banking, Société Anonyme, Luxembourg and any successor in business thereto.

"*Common Depositary",* the entity appointed as a depositary for the International Central Securities Depositaries, currently Citibank Europe plc, having its registered office at 1 North Wall Quay, Dublin 1.

"*Common Depositary's Nominee",* the entity appointed as nominee for any Common Depositary and as such acts as the registered holder of the Shares in the Funds, currently Citivic Nominees Limited.

"*Company",* iShares plc.

"*CSDCC",* China Securities Depository and Clearing Corporation Limited.

"*CSRC",* China Securities Regulatory Commission.

"*Currency Hedged Funds",* iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) and iShares MSCI Japan USD Hedged UCITS ETF (Acc).

"*Currency Hedging Agreement",* the agreement made between the Investment Manager and State Street Europe Limited pursuant to which State Street Europe Limited has been appointed to provide currency hedging services for Currency Hedged Funds and all Currency Hedged Share Classes, as may be amended from time to time in accordance with the requirements of the Central Bank.

"*Currency Hedged Share Class*", a Share Class of a Fund (other than the Currency Hedged Funds that have only one Share Class) which allows the use of hedging transactions to reduce the effect of exchange rate fluctuations as described under the heading "Currency Hedged Share Classes" in "The Company" section of this Prospectus.

"*Current Funds*", the Funds in existence as at the date of this Prospectus as listed on page 1 of this Prospectus.

"*Current Share Classes*", the Share Classes of the Current Funds available for launch at the discretion of the Manager as at the date of this Prospectus as listed on pages 17 to 21 of this Prospectus.

"*Danish Krone" or "DKK",* the lawful currency of the Kingdom of Denmark.

"*Dealing Day"*, in general, in relation to the Current Funds, each Business Day will be a Dealing Day. However, some Business Days will not be Dealing Days where, for example, markets on which a Fund's Investments are listed or traded or markets relevant to a Benchmark Index are suspended or closed or where there is a public holiday in the relevant jurisdiction in which a delegate of the Investment Manager is based, provided there are at least two Dealing Days in every month, subject always to the Directors' discretion to temporarily suspend the determination of the Net Asset Value and the sale, switching and/or redemption of Shares in the Company or any Fund in accordance with the provisions of the Prospectus and the Articles. The Investment Manager produces dealing calendars which detail in advance the Dealing Days for each Fund. The dealing calendar may be amended from time to time by the Investment Manager where, for example, the relevant market operator, regulator or

exchange (as applicable) declares a relevant market closed for trading and/or settlement (such closure may be made with little or no notice to the Investment Manager). The dealing calendar for each Fund (and each Share Class within a Fund) is available from the Investment Manager.

*"Dealing Form",* such dealing form as the Directors may prescribe for the purposes of dealing in Shares of the Company and/or relevant Fund.

*"Depositary"*, State Street Custodial Services (Ireland) Limited or such other person as may be appointed, with the prior approval of the Central Bank, to act as depositary to the Company.

"*Depositary Agreement*", the agreement between the Company, the Manager and the Depositary as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Directive",* Directive No. 2009/65/EC of the European Parliament and of the Council of 13 July 2009 as amended by Directive No. 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as may be amended or replaced.

*"Directors"*, the directors of the Company or any duly authorised committee thereof.

"*Distributing Share Class*", a Share Class designated as being "Distributing" in the list of Share Classes listed under the heading "Classes of Share" in "The Company" section of this Prospectus or "Dist" in the "Current and Launched Share Classes" table in "The Company" section of this Prospectus and in respect of which distributions of income will be declared.

*"Duties and Charges"*, in relation to any Fund or Share Class, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange spreads, interest, Depositary or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges (including hedging-related costs, transaction costs) whether in connection with the original acquisition or increase of the assets of the relevant Fund or Share Class or the creation, issue, sale, redemption, switching or repurchase of Shares or the sale or purchase of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which, for the avoidance of doubt, includes, when calculating subscription and redemption prices, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription and sold as a result of a redemption and to take into account unrealised gains or losses (and their crystallisation, reinvestment or settlement) from currency forwards in connection with a sale, redemption, switching or repurchase of Shares in a Currency Hedged Share Class or a Currency Hedged Fund), but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value per Share of Shares in the relevant Fund or Share Class.

*"DVP",* delivery versus payment settlement.

*"Electronic Order Entry Facility",* the website facility which may be used by Authorised Participants to submit dealing requests in respect of Shares in a Fund and to obtain information in relation to the dealing procedures.

"*Electronic Order Entry Facility Operator*", the operator of the Electronic Order Entry Facility from time to time.

*"Equity Funds"*, Funds of the Company which track or replicate the performance of a Benchmark Index, the constituents of which are comprised of equities and which are, as at the date of the Prospectus, iShares AEX UCITS ETF, iShares Asia Pacific Dividend UCITS ETF, iShares China Large Cap UCITS ETF, iShares Core FTSE 100 UCITS ETF, iShares Core MSCI EM IMI UCITS ETF, iShares Core S&P 500 UCITS ETF USD (Dist), iShares Euro Dividend UCITS ETF, iShares EURO STOXX Mid UCITS ETF, iShares EURO STOXX Small UCITS ETF, iShares Euro Total Market Growth Large UCITS ETF, iShares Euro Total Market Value Large UCITS ETF, iShares European Property Yield UCITS ETF, iShares FTSE 250 UCITS ETF, iShares MSCI AC Far East ex-Japan UCITS ETF, iShares MSCI Brazil UCITS ETF USD (Dist), iShares MSCI Eastern Europe Capped UCITS ETF, iShares MSCI EM UCITS ETF USD (Dist), iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist), iShares MSCI Europe ex-UK UCITS ETF, iShares MSCI Japan UCITS ETF USD (Dist), iShares MSCI Japan USD Hedged UCITS ETF (Acc), iShares MSCI Korea UCITS ETF USD (Dist), iShares MSCI North America UCITS ETF, iShares MSCI Taiwan UCITS ETF, iShares MSCI World UCITS ETF and iShares UK Dividend UCITS ETF,.

*"ERISA Plan",* (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"); or (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue Code of 1986, as amended.

*"ESMA"*, the European Securities and Markets Authority.

*"Euro", "EUR" or "€"*, the single European currency unit referred to in Council Regulation (EC) No. 974/98 on 3 May 1998 on the introduction of the Euro, and, at the discretion of the Manager, the currencies of any countries that at any time formed part of the Eurozone.

"*Euroclear*", Euroclear Bank S.A./N.V. and any such successor in business thereto.

*"EMU"* or "*Eurozone*", the Member States that adopt or have adopted the Euro as its lawful currency, at the date of this Prospectus being Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

*"European Economic Area" or "EEA",* the European Economic Area, the participating member states of which are the Member States, Iceland, Liechtenstein and Norway.

*"FDI",* financial derivative instruments.

*"Fitch",* Fitch Ratings, a division of the Fitch Group.

*"Fixed Income Funds",* Funds of the Company which track or replicate the performance of a Benchmark Index, the constituents of which are comprised of fixed income securities and which are, as at the date of the Prospectus, iShares $ Corp Bond Interest Rate Hedged UCITS ETF, iShares $ Corp Bond UCITS ETF, iShares $ Treasury Bond 0-1yr UCITS ETF, iShares $ Treasury Bond 1-3yr UCITS ETF, iShares $ Treasury Bond UCITS ETF, iShares € Corp Bond Large Cap UCITS ETF, iShares € Govt Bond 1-3yr UCITS ETF, iShares € High Yield Corp Bond UCITS ETF, iShares € Inflation Linked Govt Bond UCITS ETF, iShares £ Corp Bond 0-5yr UCITS ETF, iShares Core £ Corp Bond UCITS ETF, iShares Global Corp Bond UCITS ETF and iShares Global High Yield Corp Bond UCITS ETF.

*"FOP",* free of payment settlement.

*"FTSE",* FTSE Russell, a division of the London Stock Exchange Group plc.

*"Fund"*, a fund of assets established (with the prior approval of the Central Bank) for one or more classes of Shares which is invested in accordance with the investment objectives applicable to such fund and which forms part of the Company; a reference to a "Fund" shall, in the context where no particular Share Class is specified, include all Share Classes attributable to that Fund.

*"GDN"*, Global Depository Note.

*"GDPR",* Regulation (EU) 2016/679 (*G*eneral Data Protection Regulation) of the European Parliament and of the Council of 27 April 2016 as may be amended or replaced.

*"GDR",* Global Depository Receipt.

"*Global Share Certificate"*, the certificate evidencing entitlement to Shares (as described in further detail under the section of this Prospectus entitled "General Information on Dealings in the Company").

*"Hong Kong Dollar" or "HKD",* the lawful currency of the Hong Kong Special Administrative Region of the People's Republic of China.

*"HKEX",* Hong Kong Exchanges and Clearing Limited.

*"HKSCC",* Hong Kong Securities Clearing Company Limited.

*"Indian Origin Restricted Entity"*, (i) any "Resident Indian citizen" as such term is defined in the Foreign Exchange Management (Transfer or Issuer of Security by a Person Resident Outside of India) Regulations (as amended or supplemented from time to time), (ii) any person who is a "Non-Resident Indian", an "Overseas Citizens of India" as such terms are defined in the Foreign Exchange Management (Transfer or Issuer of Security by a Person Resident Outside of India) Regulations (as amended or supplemented from time to time), (iii) any entity incorporated or registered in India, and/or (iv) any person who has the intention of purchasing Shares in the Fund to circumvent or otherwise avoid any requirements applicable under the SEBI Regulations and/or any other subsidiary regulations or circulars issued pursuant thereto.

*"Insolvency Event",* occurs in relation to a person where (i) an order has been made or an effective resolution passed for the liquidation or bankruptcy of the person; (ii) a receiver or similar officer has been appointed in respect of the person or of any of the person's assets or the person becomes subject to an administration order, (iii) the person enters into an arrangement with one or more of its creditors or is deemed to be unable to pay its debts, (iv) the person ceases or threatens to cease to carry on its business or substantially the whole of its business or makes or threatens to make any material alteration to the nature of its business, (v) an event occurs in relation to the person in any jurisdiction that has an effect similar to that of any of the events referred to in (i) to (iv) above or (vi) the Company in good faith believes that any of the above may occur.

"*Interest Rate Hedged Fund*", iShares $ Corp Bond Interest Rate Hedged UCITS ETF.

"*International Central Securities Depositaries*", such Recognised Clearing Systems used by the Funds in issuing their Shares through the International Central Securities Depositary settlement system, which is an international settlement system connected to multiple national markets, and which includes Euroclear and/or Clearstream.

*"Investment"*, any investment authorised by the Memorandum which is permitted by the Regulations and the Articles.

*"Investment Manager"*, BlackRock Advisors (UK) Limited and/or such other person as may be appointed, in accordance with the requirements of the Central Bank, to provide investment management services to the Funds.

*"Investment Management Agreement",* the agreement between the Manager and the Investment Manager in respect of the provision of investment management services to the Funds as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Japanese Yen" or "JPY",* the lawful currency of Japan.

*"KIID"*, the key investor information document issued in respect of each Fund pursuant to the Regulations, as may be amended from time to time in accordance with the Central Bank UCITS Regulations.

"*KSA*" the Kingdom of Saudi Arabia.

"*KSA Sub-custodian*", HSBC Saudi Arabia Limited or such other person appointed as a sub-custodian of the Fund for assets in the KSA.

"*Launched Share Class*", a Share Class in existence and available for investment as at the date of this Prospectus as listed on pages 17 to 21 of this Prospectus.

*"LSE",* the London Stock Exchange, a division of the London Stock Exchange Group plc.

*"Manager"*, BlackRock Asset Management Ireland Limited, a limited liability company incorporated in Ireland.

*"Management Agreement",* the agreement between the Company and the Manager as may be amended from time to time in accordance with the requirements of the Central Bank.

*"Markit iBoxx",* a division of Markit Ltd

*"Member State"*, a member state of the European Union as at the date of this Prospectus.

*"Memorandum",* the Memorandum of Association of the Company, as amended from time to time.

*"Mexican Peso" or "MXP",* the lawful currency of Mexico.

*"MiFID II",* Directive 2014/65/EU (Markets in Financial Instruments Directive), as may be amended, replaced, supplemented or novated.

*"Moody's",* Moody's Investors Service, a division of Moody's Corporation.

*"MSCI",* MSCI Inc.

*"Net Asset Value"*, the net asset value of a Fund or Share Class (as appropriate) determined in accordance with the Articles.

*"New Zealand Dollar" or "NZD"*, the lawful currency of New Zealand.

*"Non-Significant Markets",* any market that is not a Significant Market.

*"OECD",* the Organisation for Economic Co-operation and Development.

"*OTC*", over the counter.

*"Participants",* accountholders in an International Central Securities Depositary, which may include Authorised Participants, their nominees or agents, and who hold their interest in Shares of the Funds settled and/or cleared through the applicable International Central Securities Depositary.

*"Paying Agent",* the entity appointed to act as paying agent to the Funds.

*"PBOC",* People's Bank of China.

*"Portfolio Composition File",* the file setting out the Investments and Cash Component which may be transferred to the Fund, in the case of subscriptions, and by the Company, in the case of redemptions, in satisfaction of the price of Shares thereof. Each Share Class of a Fund will have a Portfolio Composition File, which may (but need not) differ from the Portfolio Composition Files for other Share Classes within the same Fund.

*"PRC",* the People's Republic of China.

*"Primary Market",* the off exchange market whereon Shares of a Fund are created and redeemed directly with the Company.

*"Prospectus",* this document as it may be amended from time to time in accordance with the Central Bank UCITS Regulations together with, where the context requires or implies, any Supplement or addendum.

"*Qualified Foreign Investor*" or "*QFI*", pursuant to the QFI Rules, the relevant Funds which have directly invested in to listed shares on the Saudi Stock Exchange and which, along with their investment manager, have each registered with the CMA as QFIs.

"*QFI Rules*" Rules for Qualified Foreign Financial Institutions Investment in Listed Shares issued by the Board of Capital Market Authority of the Kingdom of Saudi Arabia pursuant to its Resolution Number (1-42-2015) on 15/07/1436 Hijri corresponding to 04/05/2015 Gregorian and based on the Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424 Hijri as amended by the Board of Capital Market Authority of the Kingdom of Saudi Arabia pursuant to Resolution Number (1-3-2018) on 22/04/1439 Hijri corresponding to 09/01/2018 Gregorian.

"*Qualified Holder",* any person, corporation or entity other than (i) a US Person as defined under Rule 902(k) of the 1933 Act; (ii) an ERISA Plan; (iii) any other person, corporation or entity to whom a sale or transfer of Shares, or in relation to whom the holding of Shares (whether directly or indirectly affecting such person, and whether taken alone or in conjunction with other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) would (a) cause the Company to be required to register as an ''investment company'' under the 1940 Act, (b) would cause the Shares in the Company to be required to be registered under the 1933 Act, (c) would cause the Company to become a ''controlled foreign corporation'' within the meaning of the US Internal Revenue Code of 1986, (d) would cause the Company to have to file periodic reports under section 13 of the US Exchange Act of 1934, (e) would cause the assets of the Company to be deemed to be ''plan assets'' of a Benefit Plan Investor, or (f) would cause the Company otherwise not to be in compliance with the 1940 Act, the 1933 Act, the US Employee Retirement Income Security Act of 1974, the US Internal Revenue Code of 1986 or the US Exchange Act of 1934; (iv) a custodian, nominee, trustee or the estate of any person, corporation or entity described in (i) to (iii) above, or (v) in relation to a Fund with India Exposure, an Indian Origin Restricted Entity or any person, corporation or entity acquiring or holding Shares for and on behalf of an Indian Origin Restricted Entity.

"*Recognised Clearing System"*, a "recognised clearing system" so designated by the Irish Revenue Commissioners (e.g. CREST or Euroclear).

"*Regulated Markets"*, the stock exchanges and/or regulated markets listed in Schedule I and in the relevant Supplement, if any.

"*Regulations"*, European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 as amended by European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 as may be amended or replaced.

"*Regulatory Information Service",* any of the news services set out in Schedule 12 to the Listing Rules of the UKLA.

"*Remuneration Policy",* the policy as described in the section entitled "The Manager" including, but not limited to, a description as to how remuneration and benefits are calculated and identification of those individuals responsible for awarding remuneration and benefits.

"*RQFII",* Renminbi Qualified Foreign Institutional Investor.

*"Saudi Arabian Riyal" or "SAR", or "Riyal"* the lawful currency of the KSA.

*"Saudi Stock Exchange" or "Tadawul",* the Stock Exchange of the KSA.

"*SEBI",* Securities and Exchange Board of India.

"*SEBI Regulations",* Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 (as amended or supplemented from time to time).

"*SEC",* the US Securities and Exchange Commission.

"*Secondary Market",* a market on which Shares of the Funds are traded between investors rather than with the Company itself, which may either take place on a recognised stock exchange or OTC.

"*SEHK",* the Stock Exchange of Hong Kong.

"*Share",* a participating share of no par value in a Fund or any Share Class representing a participation in the capital of the Company and carrying rights attributable to the relevant Fund or Share Class, issued in accordance with the Articles and with the rights provided for under the Articles.

"*Share Class",* any class of Share attributable to a particular Fund and carrying rights to participate in the assets and liabilities of such Fund, as further described below under "Classes of Share", in "The Company" section of this Prospectus.

"*Shareholder"*, the registered holder of a Share in a Fund of the Company.

"*Significant Markets"*, in respect of a Fund, any market or combination of markets where the value of a Fund's Investments or exposure in those markets exceeds 30% of that Fund's Net Asset Value, calculated as at that Fund's most recent annual accounting date and recorded in the Company's financial statements unless the Investment Manager determines to apply a different percentage and/or date which it believes to be more appropriate.

"*Significant Markets Business Day",* in respect of each Fund, a Business Day on which Significant Markets are open for trading and settlement.

"*Singapore Dollar" or "SGD",* the lawful currency of the Republic of Singapore.

"*SIX*", SIX Swiss Exchange.

"*S&P*", Standard & Poor's, a division of S&P Global Inc.

"*SSE",* the Shanghai Stock Exchange.

"*Sterling", "GBP" or "Stg£"*, the lawful currency of the United Kingdom.

"*Stock Connect",* the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect.

"*Stock Connect Funds",* Funds that invest in China A Shares on the SSE or SZSE via the Stock Connect.

"*STOXX",* STOXX Ltd, a division of Deutsche Börse AG.

"*Structured Finance Securities",* eligible debt or equity securities or other financial instruments, including asset-backed securities and credit-linked securities, which may be issued by a member of the BlackRock Group.

"*Subscriber Shares"*, shares of Stg£1.00 each in the capital of the Company designated as "Subscriber Shares" in the Articles and subscribed by or on behalf of the Manager for the purposes of incorporating the Company.

"*Supplement",* any document issued by the Company expressed to be a supplement to this Prospectus.

"*Swedish Krona" or "SEK",* the lawful currency of the Kingdom of Sweden.

"*Swiss Francs" or "CHF"*, the lawful currency of the Swiss Confederation.

"*SZSE",* the Shenzhen Stock Exchange

"*UCITS"*, an Undertaking for Collective Investment in Transferable Securities established pursuant to the Directive, as amended.

"*UKLA",* the United Kingdom Listing Authority, part of the UK Financial Conduct Authority.

"*Umbrella Cash Collection Account",* a collection account established by the Company at umbrella level in the name of the Company.

"*Unhedged Share Class*", a Share Class which is not a Currency Hedged Share Class.

"*United Kingdom" and "UK"*, the United Kingdom of Great Britain and Northern Ireland.

"*United States" and "US"*, the United States of America, its territories, possessions, any State of the United States and the District of Columbia.

"*US Dollar", "USD", "US$" or "$",* the lawful currency of the United States.

"*US Person"*, any person or entity deemed by the SEC from time to time to be a "US Person" under Rule 902(k) of the 1933 Act or other person or entity as the Directors may determine. The Directors may amend the definition of "US Person" without Shareholder notice as necessary in order best to reflect then-current applicable US law and regulation. Further information regarding the meaning of "US Person" is set out in Schedule V.

"*Valuation Currency",* in respect of a Share Class, the currency in which a class of Shares is priced by the Administrator and in which such Shares are denominated.

"*Valuation Point"*, such time and day as the Directors may from time to time determine (with the consent of the Administrator) in relation to the valuation of the assets and liabilities of a Fund and the Share Classes within that Fund. Please see the Primary Market Dealing Timetable on pages 86 to 89 for further details of the Valuation Point applicable to the Current Funds.

"*1933 Act"*, the Securities Act of 1933 (of the United States), as amended.

"*1940 Act"*, the Investment Company Act of 1940 (of the United States), as amended.

# THE COMPANY

**General**

The Company is an umbrella open-ended investment company with variable capital and having segregated liability between its Funds. The Company is organised under the laws of Ireland as a public limited company pursuant to the Act. The Company has been authorised by the Central Bank as a UCITS pursuant to the Regulations and is regulated under the Regulations. The Company is an exchange traded fund. It was incorporated on 21 January 2000 under registration number 319052. **Authorisation of the Company by the Central Bank is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus. The authorisation of the Company shall not constitute a warranty as to performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.**

Clause 3 of the Memorandum provides that the Company's sole objective is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations of capital raised from the public and which operates on the principle of risk spreading.

The Company is a UCITS and accordingly each of the Funds are subject to the investment and borrowing restrictions set out in the Regulations and the Central Bank UCITS Regulations. These are set out in detail in Schedule III below.

**Funds**

This Prospectus relates to the following Funds:

iShares $ Corp Bond Interest Rate Hedged UCITS ETF
iShares $ Corp Bond UCITS ETF
iShares $ Treasury Bond 0-1yr UCITS ETF
iShares $ Treasury Bond 1-3yr UCITS ETF
iShares $ Treasury Bond UCITS ETF
iShares € Corp Bond Large Cap UCITS ETF
iShares € Govt Bond 1-3yr UCITS ETF
iShares € High Yield Corp Bond UCITS ETF
iShares € Inflation Linked Govt Bond UCITS ETF
iShares £ Corp Bond 0-5yr UCITS ETF

iShares AEX UCITS ETF
iShares Asia Pacific Dividend UCITS ETF
iShares China Large Cap UCITS ETF
iShares Core £ Corp Bond UCITS ETF
iShares Core FTSE 100 UCITS ETF
iShares Core MSCI EM IMI UCITS ETF
iShares Core S&P 500 UCITS ETF USD (Dist)
iShares Euro Dividend UCITS ETF
iShares EURO STOXX Mid UCITS ETF
iShares EURO STOXX Small UCITS ETF
iShares Euro Total Market Growth Large UCITS ETF
iShares Euro Total Market Value Large UCITS ETF
iShares European Property Yield UCITS ETF
iShares FTSE 250 UCITS ETF

iShares Global Corp Bond UCITS ETF
iShares Global High Yield Corp Bond UCITS ETF
iShares MSCI AC Far East ex-Japan UCITS ETF
iShares MSCI Brazil UCITS ETF USD (Dist)
iShares MSCI Eastern Europe Capped UCITS ETF
iShares MSCI EM UCITS ETF USD (Dist)
iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist)
iShares MSCI Europe ex-UK UCITS ETF
iShares MSCI Japan UCITS ETF USD (Dist)
iShares MSCI Japan USD Hedged UCITS ETF (Acc)
iShares MSCI Korea UCITS ETF USD (Dist)
iShares MSCI North America UCITS ETF
iShares MSCI Taiwan UCITS ETF
iShares MSCI World UCITS ETF
iShares UK Dividend UCITS ETF

The Company may, with the prior approval of the Central Bank, create additional Funds or Share Classes in which case the Company will issue either a revised prospectus or a Supplement describing such Funds or Share Classes. Details of any Share Classes available for subscription may from time to time be set out in separate Supplements. In addition, a list of all Funds and Launched Share Classes thereof and their fees will be set out in the annual and semi-annual reports of the Company.

**Profile of a Typical Investor**

The Funds are suitable for both retail and professional investors seeking to achieve investment objectives which align with those of the relevant Fund in the context of the investor's overall portfolio.

Investors are expected to be able to make an investment decision based on the information set out in this Prospectus and the relevant Fund's KIID or, alternatively, to obtain professional advice. Investors should also be able to bear capital and income risk and view an investment in a Fund as a medium to long term investment, although a Fund may also be suitable for providing shorter term exposure to its Benchmark Index where such exposure is sought by the investor.

**Supplements**

Each Supplement should be read in the context of and together with this Prospectus.

**Classes of Share**

Each Fund of the Company comprises a distinct portfolio of Investments. The Shares of each Fund may be issued with different rights, features and on different terms and conditions to those of the other Funds. Shares of a Fund may be divided into different Share Classes with different dividend policies, currency hedging and Valuation Currencies and may therefore have different fees and expenses.

The types of Share Classes that may be made available by the Company in its Funds, except Currency Hedged Funds, are set out below, although not all types of Share Classes are available in every Current Fund. Only one Share Class is available in each Currency Hedged Fund and, accordingly, it is not subject to the classification below.

| Currency(ies) of the constituents of the Benchmark Index | Income Treatment | Share Class Valuation Currency | Hedged / Unhedged | Currency into which the Share Class is Hedged |
|---|---|---|---|---|
| All in Base Currency | Accumulating | Base Currency | Unhedged | N/A |
| All in Base Currency | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| All in Base Currency | Accumulating | Differs from the Base Currency | Hedged | The same as the Valuation Currency |
| All in Base Currency | Distributing | Base Currency | Unhedged | N/A |
| All in Base Currency | Distributing | Differs from the Base Currency | Unhedged | N/A |
| All in Base Currency | Distributing | Differs from the Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Accumulating | Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Accumulating | Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Accumulating | Differs from the Base Currency and from the currency of the constituents of the Benchmark Index | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Distributing | Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Distributing | Base Currency | Hedged | The same as the Valuation Currency |
| A single currency, different from the Base Currency | Distributing | Differs from the Base Currency | Unhedged | N/A |
| A single currency, different from the Base Currency | Distributing | Differs from the Base Currency and from the currency of the constituents of the Benchmark Index | Hedged | The same as the Valuation Currency |
| Multiple currencies | Accumulating | Base Currency | Unhedged | N/A |
| Multiple currencies | Accumulating | Base Currency | Hedged | The same as the Valuation Currency |
| Multiple currencies | Accumulating | Differs from the Base Currency | Unhedged | N/A |
| Multiple currencies | Accumulating | Differs from the Base Currency | Hedged | The same as the Valuation Currency |

| Currency(ies) of the constituents of the Benchmark Index | Income Treatment | Share Class Valuation Currency | Hedged / Unhedged | Currency into which the Share Class is Hedged |
|---|---|---|---|---|
| Multiple currencies | Distributing | Base Currency | Unhedged | N/A |
| Multiple currencies | Distributing | Base Currency | Hedged | The same as the Valuation Currency |
| Multiple currencies | Distributing | Differs from the Base Currency | Unhedged | N/A |
| Multiple currencies | Distributing | Differs from the Base Currency | Hedged | The same as the Valuation Currency |

For details of the Share Classes available in each of the Current Funds as at the date of this Prospectus please refer to the tables below under the heading "Current and Launched Share Classes". Additional classes of Shares, including Share Classes of the type not currently listed above, may be added by the Company to any Fund in the future, at its discretion, in accordance with the requirements of the Central Bank. The creation of additional Share Classes will not result in any material prejudice to the rights attaching to existing Share Classes. Details of the Share Classes available for subscription, and to which different fee structures may apply, may be set out in separate Supplements. In addition a list of all Funds and issued Share Classes thereof will be set out in the annual and semi-annual reports of the Company.

Please note that if you hold a Share Class and you wish to change your holding to a different Share Class of the same Fund, any such change may be treated by tax authorities as a redemption and sale and may be a realisation for the purposes of capital gains taxation.

Please refer to the "Risk Factors" section of this Prospectus for the specific risks associated with investment in a Fund's Share Class.

**Currency Hedged Share Classes**

The Company may issue Currency Hedged Share Classes in Funds that are not Currency Hedged Funds which allow the use of hedging transactions to reduce the effect of currency exchange rate fluctuations. For details regarding the hedging methodology please refer to the section below entitled "Currency Hedged Share Classes".

The Investment Manager may use derivatives (for example, currency forwards, futures, options and swaps, or such other instruments as are permitted under Schedule II of this Prospectus) to hedge the rate of exchange between the currency of all or some of the currencies in which the assets of a Fund (including cash and income) are denominated and the Share Class Valuation Currency.

For further information on the hedging methodology for Currency Hedged Share Classes, please refer to the section titled "Methodologies for Currency and Interest Rate Hedging". The transactions, costs and related liabilities and benefits arising from instruments entered into for the purposes of hedging the currency exposure for the benefit of any particular Currency Hedged Share Classes shall be attributed only to the relevant Currency Hedged Share Classes. Currency exposures of different Share Classes may not be combined or offset and currency exposures of the assets of a Fund may not be allocated to separate Share Classes.

**CURRENT AND LAUNCHED SHARE CLASSES**

The Current Share Classes are indicated with a 'Y' and are available to launch at the discretion of the Manager. The Launched Share Classes as at the date of this Prospectus are indicated with an 'L'.

The table below does not contain information in respect of the Funds that have only one Share Class. As at the date of this Prospectus, the Funds that have only one Share Class: iShares Core S&P 500 UCITS ETF USD (Dist), iShares MSCI Brazil UCITS ETF USD (Dist), iShares MSCI EM UCITS ETF USD (Dist), iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist), iShares MSCI Japan UCITS ETF USD (Dist), iShares MSCI Japan USD Hedged UCITS ETF (Acc) and iShares MSCI Korea UCITS ETF USD (Dist). Please refer to the "Fund Descriptions" section for the Base Currency and the "Dividend Policy" section for the dividend policy of these Funds.

**Current and Launched Unhedged Share Classes (Current Funds other than the Funds listed above that have only one Share Class)**

| Fund Name | Fund Base Ccy | Valuation Currency | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | DKK | | EUR | | GBP | | JPY | | SEK | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares $ Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares $ Treasury Bond 0-1yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares $ Treasury Bond 1-3yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares $ Treasury Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares € Corp Bond Large Cap UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares € Govt Bond 1-3yr UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares € High Yield Corp Bond UCITS ETF | EUR | Y | Y | L | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares € Inflation Linked Govt Bond UCITS ETF | EUR | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares £ Corp Bond 0-5yr UCITS ETF | GBP | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y |
| iShares AEX UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Asia Pacific Dividend UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares China Large Cap UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares Core £ Corp Bond UCITS ETF | GBP | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y |
| iShares Core FTSE 100 UCITS ETF | GBP | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y |
| iShares Core MSCI EM IMI UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares Euro Dividend UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares EURO STOXX Mid UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares EURO STOXX Small UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |

| Fund Name | Fund Base Ccy | Valuation Currency | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | DKK | | EUR | | GBP | | JPY | | SEK | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares Euro Total Market Growth Large UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Euro Total Market Value Large UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares European Property Yield UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares FTSE 250 UCITS ETF | GBP | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y |
| iShares Global Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares Global High Yield Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares MSCI AC Far East ex-Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | L |
| iShares MSCI Eastern Europe Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares MSCI Europe ex-UK UCITS ETF | EUR | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI North America UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares MSCI Taiwan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares MSCI World UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L |
| iShares UK Dividend UCITS ETF | GBP | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y |

**Current and Launched Currency Hedged Share Classes (Current Funds other than Funds listed above that have only one Share Class)**

| Fund Name | Fund Base Ccy | Currency into which the exposure is hedged and Valuation Currency | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | AUD | | CAD | | CHF | | DKK | | EUR | | GBP | | HKD | | JPY | | MXP | | NZD | | SEK | | SGD | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares $ Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares $ Treasury Bond 0-1yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares $ Treasury Bond 1-3yr UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | Y | L | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares $ Treasury Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - |
| iShares € Corp Bond Large Cap UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares € Govt Bond 1-3yr UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares € High Yield Corp Bond UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares € Inflation Linked Govt Bond UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares £ Corp Bond 0-5yr UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares AEX UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Asia Pacific Dividend UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares China Large Cap UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core £ Corp Bond UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Core FTSE 100 UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Core MSCI EM IMI UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |

| Fund Name | Fund Base Ccy | Currency into which the exposure is hedged and Valuation Currency | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | AUD | | CAD | | CHF | | DKK | | EUR | | GBP | | HKD | | JPY | | MXP | | NZD | | SEK | | SGD | | USD | |
| | | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist | Acc | Dist |
| iShares Euro Dividend UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares EURO STOXX Mid UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares EURO STOXX Small UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Euro Total Market Growth Large UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Euro Total Market Value Large UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares European Property Yield UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares FTSE 250 UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares Global Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | L | Y |
| iShares Global High Yield Corp Bond UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI AC Far East ex-Japan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Eastern Europe Capped UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Europe ex-UK UCITS ETF | EUR | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI North America UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI Taiwan UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares MSCI World UCITS ETF | USD | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |
| iShares UK Dividend UCITS ETF | GBP | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | - | - | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y | Y |

# INVESTMENT OBJECTIVES AND POLICIES

The specific investment objectives and policies of each Fund will be formulated by the Directors at the time of the creation of the Fund. Each Fund is passively managed. Please refer to the investment policy of each Fund for more detailed information. Each Fund's Investments will be limited to investments permitted by the Regulations which are described in more detail in Schedule III and will, save in respect of its Investments in open-ended collective investment schemes, normally be listed or traded on the Regulated Markets set out in Schedule I. Each Fund may use the techniques and instruments outlined in the section entitled "Investment Techniques" and so may invest in collective investment schemes and FDI as described in that section.

The Company has been authorised by the Central Bank with the flexibility to invest up to 100% of each Fund's assets in transferable securities and money market instruments issued by a Member State, its local authorities, a non-Member State, or public international bodies of which one or more Member States are members.

Each Fund's aggregate investment in other collective investment schemes is not permitted to exceed 10% of the relevant Fund's assets in accordance with the Regulations and Schedule III. The investment policies of the Current Funds do not permit the Funds to invest more than 10% of their assets in other collective investment schemes.

Each Fund's extent of securities lending may vary in accordance with demand and applicable tax regulations. Please see the section "Efficient Portfolio Management" for further details.

Any change to a Fund's investment objective and/or material change to the investment policy of a Fund will be subject to prior Shareholder approval. Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds. In the event of a change in the investment objective and/or investment policy of a Fund a reasonable notification period will be provided by the Company to enable Shares to be redeemed or sold prior to the implementation of the change.

The investment objective, investment policy and Benchmark Index description listed for a particular Fund applies to all Share Classes (as applicable) offered in that Fund. Currency Hedged Share Classes, where offered in a Fund, aim to reduce the impact of exchange rate fluctuations between the underlying portfolio currency exposures of the Fund and the Valuation Currency of the Currency Hedged Share Class on returns of the relevant Benchmark Index to investors in that Share Class, through entering into foreign exchange contracts for currency hedging.

# BENCHMARK INDICES

**General**

The capitalisation of the companies (for Equity Funds) or minimum amount of qualifying bonds (for Fixed Income Funds) to which a Fund is exposed or invested is defined by the provider of the Fund's Benchmark Index. The constituents of a Fund's Benchmark Index and, where applicable, ESG / SRI criteria and selection methodology, may change over time. Potential investors in a Fund may obtain a breakdown of the constituents held by the Fund from the official iShares website (www.ishares.com) or from the Investment Manager, subject to any applicable restrictions under the licence which the Investment Manager has in place with the relevant Benchmark Index providers.

There is no assurance that a Fund's Benchmark Index will continue to be calculated and published on the basis described in this Prospectus or that it will not be amended significantly. The past performance of each Benchmark Index is not a guide to future performance.

As at the date of this Prospectus, the following benchmark administrators of the Benchmark Indices are included in the Benchmarks Regulation Register or, where required under the Benchmarks Regulation, have the relevant Benchmark Indices listed in the Benchmarks Regulation Register:

- Bloomberg Index Services Limited (in respect of the Bloomberg Barclays indices);
- FTSE International Limited (in respect of the FTSE indices);
- ICE Data Indices LLC (in respect of the ICE indices);
- IHS Markit Benchmark Administration Limited (in respect of the Markit iBoxx indices);
- MSCI Limited (in respect of the MSCI indices);
- STOXX Limited (in respect of the EURO STOXX indices); and
- S&P DJI Netherlands B.V. and S&P Dow Jones LLC (in respect of the S&P and Dow Jones indices).

As at the date of this Prospectus, the following benchmark administrator of the Benchmark Indices is not included in the Benchmarks Regulation Register as required under the Benchmarks Regulation:

- AEX (in respect of the AEX indices).

The list of benchmark administrators and, where relevant, the Benchmark Indices that are included in the Benchmarks Regulation Register is available on ESMA's website at www.esma.europa.eu.

The benchmark administrator that is not included in the Benchmarks Regulation Register listed above continues to provide Benchmark Indices on the basis of the transition period provided under the Benchmarks Regulation. It is expected that this benchmark administrator will file an application for authorisation or registration as benchmark administrator in advance of the end of the transition period, in accordance with the Benchmarks Regulation requirements. The Company will monitor the Benchmarks Regulation Register and, if there are any changes, this information will be updated in the Prospectus at the next opportunity. The Company has in place and maintains robust written plans setting out the actions that it would take in the event that a benchmark is materially changed or ceases to be provided. Pursuant to these written plans, where the Company is notified by the benchmark administrator of a material change or cessation of a Benchmark Index, the Company will assess the impact of a material change to the Benchmark Index on the relevant Fund and, where it determines appropriate or in the event of the cessation of a Benchmark Index, consider substituting another index for the Benchmark Index. Prior Shareholder approval will be sought in advance where a change of the Benchmark Index constitutes a change to the investment objective and/or a material change to the investment policy of a Fund. Where the Company is unable to substitute another index for the Benchmark Index, the Directors may resolve to seek the winding up of the Fund to the extent reasonable and practicable.

The Directors may, if they consider it in the interests of the Company or any Fund to do so and with the consent of the Depositary, substitute another index for the Benchmark Index if:

- the weightings of constituent securities of the Benchmark Index would cause the Fund (if it were to follow the Benchmark Index closely) to be in breach of the Regulations and/or any tax law or tax regulations that the Directors may consider to have a material impact on the Company and/or any Fund;
- the particular Benchmark Index or index series ceases to exist;
- a new index becomes available which supersedes the existing Benchmark Index;
- a new index becomes available which is regarded as the market standard for investors in the particular market and/or would be regarded as of greater benefit to investors than the existing Benchmark Index;
- it becomes difficult to invest in securities comprised within the particular Benchmark Index;

- the Benchmark Index provider increases its charges to a level which the Directors consider too high;
- the quality (including accuracy and availability of data) of a particular Benchmark Index has, in the opinion of the Directors, deteriorated;
- a liquid futures market in which a particular Fund is investing ceases to be available; or
- an index becomes available which more accurately represents the likely tax treatment of the investing Fund in relation to the component securities in that index.

Where such a change would result in a material difference between the constituent securities of the Benchmark Index and the proposed Benchmark Index, Shareholder approval will be sought in advance. In circumstances where immediate action is required and it is not possible to obtain Shareholder approval in advance of a change in a Fund's Benchmark Index, Shareholder approval will be sought for either the change in the Benchmark Index or, if not so approved, the winding up of the Fund, as soon as practicable and reasonable.

Any change of a Benchmark Index will be cleared in advance with the Central Bank, reflected in revised Prospectus documentation and will be noted in the annual and semi-annual reports of the relevant Fund issued after any such change takes place. In addition, any material change in the description of a Benchmark Index will be noted in the annual and semi-annual reports of the relevant Fund.

The Directors may change the name of a Fund, particularly if its Benchmark Index, or the name of its Benchmark Index, is changed. Any change to the name of a Fund will be approved in advance by the Central Bank and the relevant documentation pertaining to the relevant Fund will be updated to reflect the new name.

Any of the above changes may have an impact on the tax status of the Company and/or a Fund in a jurisdiction. Therefore, it is recommended that investors should consult their professional tax adviser to understand any tax implications of the change in their holdings in the jurisdiction in which they are resident.

# FUND DESCRIPTIONS

Each Fund may invest in FDI for direct investment purposes. For details regarding investment in FDI please refer to the section headed "Investment Techniques".

Each Fund's Investments, other than its Investments in OTC FDI and open-ended collective investment schemes, will normally be listed or traded on the Regulated Markets set out in Schedule I.

The following are the investment objectives and policies for each of the Current Funds. Investors should note that the description of the Benchmark Index provided in relation to a Fund is subject to change.

The investment objective, investment policy and Benchmark Index description listed for a particular Fund applies to all Share Classes (as applicable) offered in that Fund.

Currency Hedged Share Classes, where offered in a Fund, aim to reduce the impact of exchange rate fluctuations between the underlying portfolio currency exposures of the Fund and the Valuation Currency of the Currency Hedged Share Class on returns of the relevant Benchmark Index to investors in that Share Class, through entering into foreign exchange contracts for currency hedging. Only Funds which track a Benchmark Index which does not incorporate a currency hedging methodology may launch Currency Hedged Share Classes.

Share Classes, including Currency Hedged Share Classes may have different valuation currencies from the Base Currency of their Funds.

***iShares $ Corp Bond Interest Rate Hedged UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx USD Liquid Investment Grade Interest Rate Hedged Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consist of the component securities of the Markit iBoxx USD Liquid Investment Grade Index and US treasury bond futures contracts that, as far as possible and practicable, track the hedging methodology of the Markit iBoxx USD Liquid Investment Grade Interest Rate Hedged Index, this Fund's Benchmark Index. The hedging methodology consists of selling US Treasury bond futures contracts in order to hedge the underlying US treasury bond yield risk. Interest rate hedging is carried out under a single hedging programme for the life of the Fund which is implemented by selling US Treasury bond futures contracts. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The corporate bonds in which the Fund invests will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the corporate bonds invested in by the Fund will comprise investment grade issues, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as such non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position. In order to achieve its investment objective, the Fund may also invest in government bonds with the intention of obtaining a similar performance (with matching risk profile) to certain constituents of the Fund's Benchmark Index.

The Base Currency of iShares $ Corp Bond Interest Rate Hedged UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Markit iBoxx USD Liquid Investment Grade Interest Rate Hedged Index is designed to measure the performance of US Dollar denominated corporate bonds in the Markit iBoxx USD Liquid Investment Grade Index ("Underlying Index") while hedging the risk of interest rate movements within the Underlying Index. The Underlying Index measures the performance of US Dollar denominated, investment grade corporate fixed income securities (such as bonds) which pay income according to a fixed rate of interest.

The Benchmark Index holds long positions in the constituents of the Underlying Index and aims to achieve zero duration by taking short positions in a basket of US Treasury bond futures contracts. The return on the basket of futures is subtracted from the total return of the Underlying Index. At the beginning of each month, the constituents of the Underlying Index are partitioned into five duration buckets. Each bucket is hedged separately with the relevant US Treasury bond futures contract, which itself is weighted appropriately to match the duration of the corporate bonds in that bucket.

The Benchmark Index rebalances on a monthly basis. No adjustment is made to the hedge during the month to account for price movements of fixed income securities in the Benchmark Index. The constituents and selection methodology of the Benchmark Index may change over time. Further details regarding the Benchmark Index

(including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares $ Corp Bond UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Markit iBoxx USD Liquid Investment Grade Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Markit iBoxx USD Liquid Investment Grade Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

At least two thirds of the total assets of this Fund shall be invested at all times in assets denominated in US Dollar.

The Base Currency of iShares $ Corp Bond UCITS ETF is US Dollar (US$), and the Fund will not undertake any exposure to currencies other than the US Dollar, except in the efficient portfolio management of changes to the Benchmark Index of the Fund and in the management of any future Share Classes of the Fund which may be denominated in a currency other than US Dollar.

*Benchmark Index*
The Markit iBoxx USD Liquid Investment Grade Index measures the performance of the most liquid, US Dollar denominated, fixed rate, investment grade corporate bonds. The Benchmark Index uses a market-value weighted methodology with a cap on each issuer of 3%. Currently, the bonds eligible for inclusion in the Benchmark Index include US Dollar denominated corporate bonds that: (i) are issued by companies domiciled in countries classified as developed markets by the index provider; (ii) are rated investment grade by Fitch, Moody's or Standard & Poor's Ratings Services; (iii) are from large issuers with at least US$2 billion in aggregate outstanding issuance; (iv) have at least US$750 million face value per individual bond; and (v) have at least three years to maturity. The Benchmark Index rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares $ Treasury Bond 0-1yr UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the ICE U.S. Treasury Short Bond Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the ICE U.S. Treasury Short Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of the Fund is US Dollar (US$) and the Fund will not undertake any exposure to currencies other than US Dollar except in the management of any Share Classes of the Fund which may be denominated in a currency other than US Dollar.

**Important note: The Fund is not a money market fund. The Fund is not therefore subject to the requirements of the Central Bank or Regulation (EU) 2017/1131 of the European Parliament and of the Council of 14 June 2017 on money market funds that govern the quality, maturity, liquidity and other features of securities that money market funds may purchase. Under normal circumstances, the Fund's investments may be more susceptible than those of a money market fund to credit risk, interest rate risk, valuation risk and other risks relevant to the Fund's investments. The Fund does not seek to maintain a stable net asset value of US$1.00 per share.**

*Benchmark Index*
The ICE U.S. Treasury Short Bond Index measures the performance of US Dollar denominated fixed income securities issued by the US Treasury that have a remaining maturity equal to or greater than one month and less than one year at the rebalancing date. The Benchmark Index includes bonds issued by the US Treasury that have a minimum amount outstanding of $300 million at the rebalancing date and for which content is available daily, including valuations and reference data. There are currently no minimum credit rating requirements or credit rating restrictions on bonds included in the Benchmark Index.

Inflation-linked securities, floating rate notes, cash management bills, any government agency debt issued with or without a government guarantee and zero-coupon issues that have been stripped from coupon-paying bonds are excluded from the Benchmark Index.

The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.theice.com/marketdata/reports/210.

***iShares $ Treasury Bond 1-3yr UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the ICE U.S. Treasury 1-3 Year Bond Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the ICE U.S. Treasury 1-3 Year Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares $ Treasury Bond 1-3yr UCITS ETF is US Dollar (US$) and the Fund will not undertake any exposure to currencies other than US Dollar except in the efficient portfolio management of changes in its Benchmark Index and in the management of any future Share classes of the Fund which may be denominated in a currency other than US Dollar.

*Benchmark Index*
The ICE U.S. Treasury 1-3 Year Bond Index measures the performance of US Dollar denominated fixed rate US Treasury bonds that have a remaining maturity of between one and three years. The Benchmark Index includes investment grade bonds issued by the US Treasury that have a minimum amount outstanding of US$300 million. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.interactivedata.com/products-services/ice-indices/idcot1/

***iShares $ Treasury Bond UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to seek to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the ICE U.S. Treasury Core Bond Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consist of the component securities of the ICE U.S. Treasury Core Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of the Fund is US Dollar (US$) and the Fund will not undertake any exposure to currencies other than US Dollar except in the management of any Share Classes of the Fund which may be denominated in a currency other than US Dollar.

*Benchmark Index*
The ICE U.S. Treasury Core Bond Index measures the performance of US Dollar denominated fixed income securities issued by the US Treasury that have a minimum term to maturity greater than or equal to one year. The Benchmark Index includes fixed-rate notes and bonds issued by the US Treasury that have a minimum amount outstanding of $300 million at the rebalancing date and for which content is available daily, including valuations and reference data.

Inflation-linked securities, floating rate notes, strips, cash management and treasury bills, any government agency debt issued with or without a government guarantee and zero-coupon rate issues are excluded from the Benchmark Index.

The Benchmark Index rebalances on a monthly basis and is market value weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.theice.com/publicdocs/data/IDCOTC-constituents.xlsx.

***iShares € Corp Bond Large Cap UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Markit iBoxx EUR Liquid Corporates Large Cap Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Markit iBoxx EUR Liquid Corporates Large Cap Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of the iShares € Corp Bond Large Cap UCITS ETF is Euro (€) and the Fund will not undertake any exposure to currencies other than Euro, except in the efficient portfolio management of changes to the Benchmark Index of the Fund and in the management of any future Share Classes of the Fund which may be denominated in a currency other than these currencies.

*Benchmark Index*
The Markit iBoxx EUR Liquid Corporates Large Cap Index measures the performance of the most liquid, Euro-denominated, fixed rate, investment grade corporate bonds. The Benchmark Index uses a market-value weighted methodology with a cap on each issuer of 4%. Currently, the bonds eligible for inclusion in the Benchmark Index include Euro-denominated corporate bonds that: (i) are rated investment grade by Fitch, Moody's or Standard & Poor's Ratings Services; (ii) are from large issuers with at least €3.5 billion in aggregate outstanding issuance; (iii) have at least €500 million face value per individual bond; and (iv) have at least one year to maturity. The Benchmark Index rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares € Govt Bond 1-3yr UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return on EMU government bonds.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Bloomberg Barclays Euro Government Bond 1-3 Year Term Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's

Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares € Govt Bond 1-3yr UCITS ETF is Euro (€) and the Fund will not undertake any exposure to currencies other than Euro except in the efficient portfolio management of changes in its Benchmark Index and in the management of any future Share Classes of the Fund which may be denominated in a currency other than Euro.

*Benchmark Index*
The Bloomberg Barclays Euro Government Bond 1-3 Year Term Index measures the performance of Euro denominated fixed rate government bonds that have recently been issued and have a remaining maturity of between one and three years. The Benchmark Index includes investment grade bonds issued by certain EMU member states that have a minimum amount outstanding of €2 billion. The Benchmark Index rebalances on a monthly basis and is market capitalisation weighted. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/#/ucits.

***iShares € High Yield Corp Bond UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx Euro Liquid High Yield Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Markit iBoxx Euro Liquid High Yield Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is sub-investment grade. While it is intended that the Fund's Investments will comprise sub-investment grade issues, issues may be upgraded or downgraded in certain circumstances from time to time. In such event the Fund may hold such investment grade bond or bond rated by Fitch, Moody's or S&P as CC or lower until such time as the bonds cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares € High Yield Corp Bond UCITS ETF is Euro (€).

*Benchmark Index*
The Markit iBoxx Euro Liquid High Yield Index measures the performance of the largest and most liquid fixed and floating rate sub-investment grade corporate bonds issued by both Eurozone and non-Eurozone issuers. Only euro denominated bonds with a minimum amount outstanding of €250 million are included in the Benchmark Index. New bonds that are considered for inclusion in the Benchmark Index must have a minimum maturity of 2 years and a maximum of 10.5 years.

Bonds already included in the Benchmark Index are not subject to a minimum time to maturity rule and remain in the Benchmark Index until they mature provided that they fulfil the other selection criteria. All bonds in the Benchmark Index must be rated sub-investment grade according to the methodology used by the index provider. The Benchmark Index rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares € Inflation Linked Govt Bond UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return on the Government inflation linked bonds of the EMU.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Bloomberg Barclays Euro Government Inflation Linked Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are

not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares € Inflation Linked Govt Bond UCITS ETF is Euro (€) and the Fund will not undertake any exposure to currencies other than Euro except in the efficient portfolio management of changes in its Benchmark Index and in the management of any future Share Classes of the Fund which may be denominated in a currency other than Euro.

*Benchmark Index*
The Bloomberg Barclays Euro Government Inflation Linked Bond Index measures the performance of the Eurozone government inflation-linked bond market. The Benchmark Index includes Eurozone government inflation-linked bonds with a minimum rating of Baa3/BBB- or higher, according to Bloomberg Barclays methodology. The composition of the Benchmark Index, including the country of bond issuance, may be changed by the Benchmark Index provider over time. Issuers must be an EMU member state, and bonds must be capital indexed and linked to an eligible inflation index. Only Euro denominated bonds with a minimum remaining time to maturity of one year and a minimum amount outstanding of €500 million are included in the Benchmark Index. The Benchmark Index rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/#/ucits.

***iShares £ Corp Bond 0-5yr UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx GBP Corporates 0-5 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Markit iBoxx GBP Corporates 0-5 Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares £ Corp Bond 0-5yr UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The Markit iBoxx GBP Corporates 0-5 Index measures the performance of the Sterling-denominated, fixed rate, investment grade corporate bonds with an expected remaining time to maturity of between 0 and 5 years. Only bonds with an average rating of investment grade and a minimum amount outstanding of £100 million are eligible for the Benchmark Index. All issues are included based on the currency of the issue and not the domicile of the issuer. The Benchmark Index is market capitalisation weighted and rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares AEX UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the AEX-Index®.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the AEX-Index®, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares AEX UCITS ETF is Euro (€).

*Benchmark Index*
The AEX-Index® is designed to measure the performance of the large capitalisation equity stocks of the Netherlands. It currently comprises the 25 most actively traded Dutch companies to provide a fair representation of Dutch equity security performance. Companies listed on NYSE Euronext Amsterdam are eligible for inclusion. The Benchmark Index is weighted by modified free-float market capitalisation. The Benchmark Index rebalances on an annual basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.euronext.com/en/products/indices/NL0000000107-XAMS/market-information.

***iShares Asia Pacific Dividend UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Dow Jones Asia/Pacific Select Dividend 50 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the Dow Jones Asia/Pacific Select Dividend 50 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Asia Pacific Dividend UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Dow Jones Asia/Pacific Select Dividend 50 Index is designed to measure the performance of 50 leading stocks by dividend yield in the Asia/Pacific region that meet specific criteria. The Benchmark Index includes all companies in the relevant Dow Jones Global Indices ("DJGI") country indices which, at the time of inclusion, have paid dividends in each of the past three years, have a dividend per share ratio greater than or equal to its three-year average annual dividend per share ratio, have a five-year average dividend coverage ratio of greater than or equal to 2/3rds the five-year average dividend coverage ratio of the corresponding DJGI country index, or greater than 118%, whichever is greater, a non-negative trailing 12-month earnings-per-share (EPS), and meet criteria for trading volume. Existing constituents of the Benchmark Index must also meet criteria for trading volume at each rebalance. The Benchmark Index is weighted according to indicated annual dividend yield with (1) individual companies capped at 10%, and (2) the aggregate weighting of companies which are each greater than 4.5% shall be capped at 22.5% of the Benchmark Index's total weight. The index eligibility and weighting criteria may be subject to change over time. The Benchmark Index is rebalanced annually, with additional extraordinary quarterly and daily reviews. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://supplemental.spindices.com/supplemental-data/eu.

***iShares China Large Cap UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE China 50 Index.

*Investment Policy*
In order to achieve its investment objective, the investment policy of this Fund is to invest in a portfolio of equity securities that so far as possible and practicable consists of the component securities of the FTSE China 50 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares China Large Cap UCITS ETF is US Dollar (US$).

*Benchmark Index*
The FTSE China 50 Index is designed to represent the performance of the largest companies in the China equity market that are available to international investors. The Benchmark Index consists of 50 of the largest and most liquid Chinese companies listed on the Stock Exchange of Hong Kong, ranked by total market capitalisation. The Benchmark Index is free-float market capitalisation weighted and individual constituents are capped at a maximum of 9% of the Benchmark Index. All companies that have a weight greater than 4.5% are capped in aggregate at 38% of the Benchmark Index. The Benchmark Index rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftse.com/Indices/.

***iShares Core £ Corp Bond UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the total return of the Markit iBoxx GBP Liquid Corporates Large Cap Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Markit iBoxx GBP Liquid Corporates Large Cap Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund's investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the Fund's Investments will comprise investment grade issues that make up the Benchmark Index, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as the non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares Core £ Corp Bond UCITS ETF is Sterling (Stg£), and the Fund will not undertake any exposure to currencies other than Sterling, except in the efficient portfolio management of changes to the Benchmark Index of the Fund and in the management of any future Share Classes of the Fund which may be denominated in a currency other than Sterling.

*Benchmark Index*
The Markit iBoxx GBP Liquid Corporates Large Cap Index measures the performance of the most liquid, Sterling-denominated, fixed rate, investment grade corporate bonds. The Benchmark Index uses a market value weighted methodology with a cap on each issuer of 4%. Currently, the bonds eligible for inclusion in the Benchmark Index include Sterling-denominated corporate bonds that: (i) are rated investment grade by Fitch, Moody's or Standard & Poor's Ratings Services; (ii) are from large issuers with at least Stg£750 million in aggregate outstanding issuance; (iii) have at least Stg£300 million face value per individual bond; and (iv) have at least one year to maturity. The Benchmark Index rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares Core FTSE 100 UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE 100 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the FTSE 100 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Core FTSE 100 UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The FTSE 100 Index measures the performance of the 100 largest capitalisation UK listed stocks, which pass screening for size, liquidity and free-float criteria. The Benchmark Index is free-float market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftse.com/Indices/.

***iShares Core MSCI EM IMI UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Investable Market Index (IMI).

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Emerging Markets Investable Market Index (IMI), the Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold

each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

As the Fund is approved by the CMA as a QFI under the QFI Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the QFI Rules and Saudi Capital Markets Law. As approved QFIs are not permitted under the current QFI Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying FDI (e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in FDI, the Fund as a QFI will only be able to invest in FDI that have non-Saudi listed securities as the underlying security.

The Base Currency of iShares Core MSCI EM IMI UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Emerging Markets Investable Market Index (IMI) measures the performance of large, mid and small capitalisation stocks across emerging markets countries which comply with MSCI's size, liquidity and free-float criteria. The Benchmark Index covers approximately 99% of the free-float adjusted market capitalisation in each country. The Fund may invest directly in securities listed or traded on the Regulated Markets of Russia in accordance with the weighting attributed to such securities in the Benchmark Index. As at 31 August 2020, 2.60% of the Benchmark Index comprised such securities. Investment in Russian listed or traded securities shall be limited to those securities which are listed or traded on the Moscow Exchange MICEX-RTS. The Benchmark Index rebalances on a quarterly basis. The Fund may trade China A Shares via Stock Connect. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares Core S&P 500 UCITS ETF USD (Dist)***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the S&P 500.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the S&P 500, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares Core S&P 500 UCITS ETF USD (Dist) is US Dollar (US$).

*Benchmark Index*
The S&P 500 measures the performance of 500 stocks from top US companies in leading industries of the US economy which comply with S&P's size, liquidity and free-float criteria. The Benchmark Index is free-float market capitalisation weighted and rebalances on a quarterly basis (or more frequently if required). Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://supplemental.spindices.com/supplemental-data/eu.

***iShares Euro Dividend UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the EURO STOXX Select Dividend 30 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the EURO STOXX Select Dividend 30 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Euro Dividend UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX Select Dividend 30 Index measures the performance of 30 leading Eurozone stocks by dividend yield from the EURO STOXX® index that meet specific criteria. The Benchmark Index includes companies which, at the time of inclusion, have paid dividends in four out of five calendar years, have a non-negative dividend growth rate over the past five years, have a dividend to earnings-per-share ratio of 60% or less, and meet criteria for

trading volume. The Benchmark Index is weighted according to net dividend yield with individual companies capped at 15%. The index eligibility and weighting criteria may be subject to change over time. The Benchmark Index is rebalanced annually and selections of components are subject to the Benchmark Index rules that favour components within the Benchmark Index prior to its rebalance. In addition, the Benchmark Index is subject to quarterly and ongoing reviews that allow for the removal of a company, at the index provider's discretion, if it no longer complies with the original selection criteria. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at www.stoxx.com.

***iShares EURO STOXX Mid UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the EURO STOXX Mid Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the EURO STOXX Mid Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of the iShares EURO STOXX Mid UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX Mid Index measures the performance of mid-capitalisation stocks in the Eurozone. Stocks are selected from the EURO STOXX Index which comply with screening, liquidity and free-float criteria. The Benchmark Index is rebalanced quarterly and its components are weighted according to free-float market capitalisation. Further details on the Benchmark Index (including its components) are available on the index provider's website at www.stoxx.com.

***iShares EURO STOXX Small UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the EURO STOXX Small Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the EURO STOXX Small Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares EURO STOXX Small UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX Small Index measures the performance of small-capitalisation stocks in the Eurozone. Stocks are selected from the EURO STOXX Index which comply with screening, liquidity and free-float criteria. The Benchmark Index is rebalanced quarterly and its components are weighted according to free-float market capitalisation. Further details on the Benchmark Index (including its components) are available on index provider's website at www.stoxx.com.

***iShares Euro Total Market Growth Large UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the EURO STOXX Total Market Growth Large Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the EURO STOXX Total Market Growth Large Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Euro Total Market Growth Large UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX Total Market Growth Large Index is designed to measure the performance of growth-orientated large capitalisation stocks in the EMU with similar growth characteristics. Stocks are selected from the largest companies of the STOXX Europe Total Market Index that meet specific criteria according to the Benchmark Index methodology. The Benchmark Index rebalances on a semi-annual basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at www.stoxx.com.

***iShares Euro Total Market Value Large UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the EURO STOXX Total Market Value Large Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the EURO STOXX Total Market Value Large Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares Euro Total Market Value Large UCITS ETF is Euro (€).

*Benchmark Index*
The EURO STOXX Total Market Value Large Index is designed to measure the performance of value-orientated large capitalisation stocks in the EMU with similar value characteristics. Stocks are selected from the largest companies of the STOXX Europe Total Market Index that meet specific criteria according to the Benchmark Index methodology. The Benchmark Index rebalances on a semi-annual basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at www.stoxx.com.

***iShares European Property Yield UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE EPRA/Nareit Developed Europe ex UK Dividend + Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the FTSE EPRA/ Nareit Developed Europe ex UK Dividend + Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

This Fund will not invest directly in property, only property related assets, for purposes of achieving the investment of objective of the Fund.

The Base Currency of iShares European Property Yield UCITS ETF is Euro (€).

*Benchmark Index*
The FTSE EPRA/Nareit Developed Europe ex UK Dividend+ Index is designed to provide a representation of higher yielding stocks within the FTSE EPRA/Nareit Developed Europe ex UK Index. The Benchmark Index measures the performance of Real Estate Investment Trusts (REITS) and Real Estate Holding & Development companies from developed European countries excluding the UK, and includes those stocks that have a forecasted dividend yield of equal or greater than 2%. The Benchmark Index is free-float market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftse.com/Indices/.

***iShares FTSE 250 UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE 250 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the FTSE 250 Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark

Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares FTSE 250 UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The FTSE 250 Index measures the performance of 250 mid capitalisation UK listed stocks, which pass screening for size, liquidity and free-float criteria. The Benchmark Index is free-float market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftse.com/Indices/.

***iShares Global Corp Bond UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Bloomberg Barclays Global Aggregate Corporate Bond Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consist of the component securities of the Bloomberg Barclays Global Aggregate Corporate Bond Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The corporate bonds in which the Fund invests will be fixed rate and will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is investment grade. While it is intended that the corporate bonds invested in by the Fund will comprise investment grade issues, issues may be downgraded in certain circumstances from time to time. In such event the Fund may hold non-investment grade issues until such time as such non-investment grade issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position. In order to achieve its investment objective, the Fund may also invest in government bonds with the intention of obtaining a similar performance (with matching risk profile) to certain constituents of the Fund's Benchmark Index.

The Base Currency of iShares Global Corp Bond UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Bloomberg Barclays Global Aggregate Corporate Bond Index provides a broad-based measure of the performance of the global investment grade corporate fixed-rate debt market. The Benchmark Index includes bonds issued by corporations in emerging and developed markets worldwide with a minimum maturity of at least one year and in accordance with minimum size thresholds set by the index provider. The Benchmark Index is market capitalisation weighted and rebalances on a monthly basis. As at 31 August 2020, no securities issued by companies domiciled in Russia were included in the Benchmark Index. Investment in Russian listed or traded securities shall be limited to those securities which are listed or traded on the Moscow Exchange MICEX-RTS. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.bloombergindices.com/bloomberg-barclays-indices/#/ucits.

***iShares Global High Yield Corp Bond UCITS ETF***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the Markit iBoxx Global Developed Markets Liquid High Yield Capped Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Markit iBoxx Global Developed Markets Liquid High Yield Capped Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Fund will invest in liquid, high yield corporate bonds. The Fund's Investments will, at the time of purchase, comply with the credit rating requirements of the Fund's Benchmark Index, which is sub-investment grade. While it is intended that the corporate bonds invested in by the Fund will comprise sub-investment grade issues, such issues may be upgraded to investment grade or downgraded to default grade or credit ratings may be withdrawn in certain circumstances from time to time. In such event the Fund may hold investment grade, default grade or

unrated issues until such time as such investment grade, default grade or unrated issues cease to form part of the Fund's Benchmark Index (where applicable) and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Base Currency of iShares Global High Yield Corp Bond UCITS ETF is US Dollar (US$).

*Benchmark Index*
The Markit iBoxx Global Developed Markets Liquid High Yield Capped Index measures the performance of fixed rate, high yield corporate bonds across global developed markets. The Benchmark Index is market-value weighted with a 3% issuer cap and a 10% cap for both 144A bonds without registration rights or with a registration period greater than one year and issues of securities pursuant to Regulation S of the 1933 Act that are not listed on a Regulated Market. The maximum original time to maturity for bonds within the Benchmark Index is 15 years, and the minimum time to maturity is 1.5 years for new bonds to be included. All bonds must have a minimum maturity of 1 year to remain in the Benchmark Index and be rated by at least one of three rating services: Fitch Ratings, Moody's Investors Service, or Standard & Poor's Rating Services. The Benchmark Index currently includes sub-investment grade corporate bonds denominated in US Dollar, Euro, Sterling and Canadian dollar. The Benchmark Index is market capitalisation weighted and rebalances on a monthly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.markit.com/Documentation/Product/IBoxx.

***iShares MSCI AC Far East ex-Japan UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI AC Far East ex-Japan Index.

*Investment Policy*
In order to achieve its investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI AC Far East ex-Japan Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI AC Far East ex-Japan UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI AC Far East ex-Japan Index measures the performance of large and mid capitalisation stocks across Developed and Emerging Markets countries (excluding Japan) in the Far East which comply with MSCI's size, liquidity and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The Fund may trade China A Shares via Stock Connect. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Brazil UCITS ETF USD (Dist)***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Brazil Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Brazil Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Brazil UCITS ETF USD (Dist) is US Dollar (US$).

*Benchmark Index*
The MSCI Brazil Index measures the performance of large and mid capitalisation stocks of the Brazilian equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Eastern Europe Capped UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI EM Eastern Europe 10/40 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI EM Eastern Europe 10/40 Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI Eastern Europe Capped UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI EM Eastern Europe 10/40 Index measures the performance of large and mid capitalisation stocks across Emerging Markets countries in Eastern Europe which comply with MSCI's size, liquidity, and free-float criteria. The Fund may invest directly in securities listed or traded on the Regulated Markets of Russia in accordance with the weighting attributed to such securities in the MSCI EM Eastern Europe 10/40 Index. As at 31 August 2020, 60.10% of the MSCI EM Eastern Europe 10/40 Index comprised such securities. Investment in Russian listed or traded securities shall be limited to those securities which are listed or traded on the Moscow Exchange MICEX-RTS. The imbedded 10/40 capping rule ensures that the weight of a single company is limited and the portfolio comply with UCITS concentration limits. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI EM UCITS ETF USD (Dist)***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Emerging Markets Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

As the Fund is approved by the CMA as a QFI under the QFI Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the QFI Rules and Saudi Capital Markets Law. As approved QFIs are not permitted under the current QFI Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying FDI (e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in FDI, the Fund as a QFI will only be able to invest in FDI that have non-Saudi listed securities as the underlying security.

The Base Currency of iShares MSCI EM UCITS ETF USD (Dist) Fund is US Dollar (US$).

*Benchmark Index*
The MSCI Emerging Markets Index measures the performance of large and mid capitalisation stocks across emerging market countries which comply with MSCI's size, liquidity, and free-float criteria. The Fund may invest directly in securities listed or traded on the Regulated Markets of Russia in accordance with the weighting attributed to such securities in the MSCI Emerging Markets Index. As at 31 August 2020, 2.80% of the MSCI Emerging Markets Index comprised such securities. Investment in Russian listed or traded securities shall be limited to those securities which are listed or traded on the Moscow Exchange MICEX-RTS. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The Fund may trade China A Shares via Stock Connect. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist)***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe ex UK 100% Hedged to GBP Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Europe ex-UK Index and foreign exchange forward contracts that, as far as possible and practicable, track the hedging methodology of MSCI Europe ex UK 100% Hedged to GBP Index, this Fund's Benchmark Index. Currency hedging is carried out under a single hedging programme for the life of the Fund which is implemented using rolling one-month forward contracts. The Fund intends to use optimisation techniques in order to achieve a similar return to

the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) is Sterling (Stg£).

*Benchmark Index*
The MSCI Europe ex UK 100% Hedged to GBP Index measures the performance of the MSCI Europe ex-UK Index with currency exposures hedged to Sterling (Stg£) using one-month currency forwards according to the MSCI methodology. The Benchmark Index contains both equity securities and foreign currency hedging components. The MSCI Europe ex-UK Index is designed to measure the performance of large and mid capitalisation stocks across developed markets countries in Europe, excluding the United Kingdom, which comply with MSCI's size, liquidity and free-float criteria. The Benchmark Index incorporates a monthly hedge, using a one-month forward FX contract to reduce currency exposure. The foreign currency hedging component comprises rolling one-month forward contracts that are reset at the end of each month and hedge each foreign currency in the Benchmark Index back to the Fund's Base Currency (Stg£). No adjustment is made to the hedge during the month to account for price movements of constituent securities of the Benchmark Index, corporate events affecting such securities, additions, deletions or any other changes to the Benchmark Index. The Benchmark Index is market capitalisation weighted and rebalances on a semi-annual basis. The Benchmark Index also undergoes quarterly reviews. These quarterly reviews may involve limited rebalancing, consisting of the addition and/or removal of constituents from the Benchmark Index but not amounting to a full reconstitution of the Benchmark Index. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Europe ex-UK UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Europe ex-UK Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Europe ex-UK Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI Europe ex-UK UCITS ETF is Euro (€).

*Benchmark Index*
The MSCI Europe ex-UK Index measures the performance of large and mid capitalisation stocks across developed markets countries in Europe, excluding the United Kingdom, which comply with MSCI's size, liquidity and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Japan UCITS ETF USD (Dist)***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Japan Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Japan UCITS ETF USD (Dist) is US Dollar (US$).

*Benchmark Index*
The MSCI Japan Index measures the performance of large and mid capitalisation stocks of the Japanese equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Japan USD Hedged UCITS ETF (Acc)***

*Investment Objective*
The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Japan 100% Hedged to USD Net TR Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that, as far as possible and practicable, consist of the component securities of the MSCI Japan TR Index. This index makes up the equity component of the MSCI Japan 100% Hedged to USD Net TR Index, this Fund's Benchmark Index. In addition, the Fund will invest in foreign exchange forward contracts that, as far as possible and practicable, enable the Fund to track the hedging methodology of the Benchmark Index. The hedging methodology consists of entering into foreign exchange forward contracts in order to hedge the underlying foreign currency exposure arising as a result of the difference between the Base Currency and the currency of the constituent securities in the Benchmark Index. Currency hedging is carried out under a single hedging programme for the life of the Fund which is implemented using rolling one-month forward contracts. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI Japan USD Hedged UCITS ETF (Acc) is US Dollar (US$).

*Benchmark Index*
The MSCI Japan 100% Hedged to USD Net TR Index measures the performance of the MSCI Japan TR Index with currency exposures hedged to US Dollar using one-month currency forwards according to the MSCI methodology. The Benchmark Index contains both equity securities and foreign currency hedging components. The MSCI Japan TR Index is designed to measure the performance of large and mid capitalisation stocks of the Japan equity market which comply with MSCI's size, liquidity, and free-float criteria. The foreign currency hedging component comprises rolling one-month forward contracts that are reset at the end of each month and hedge the Japanese Yen back to US Dollar, the Fund's Base Currency (USD). No adjustment is made to the hedge during the month to account for price movements of constituent securities of the Benchmark Index, corporate events affecting such securities, additions, deletions or any other changes to the Benchmark Index. The Benchmark Index is market capitalisation weighted and rebalances on a semi-annual basis. The Benchmark Index also undergoes quarterly reviews. These quarterly reviews may involve limited rebalancing, consisting of the addition and/or removal of constituents from the Benchmark Index but not amounting to a full reconstitution of the Benchmark Index. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Korea UCITS ETF USD (Dist)***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Korea 20/35 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Korea 20/35 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Korea UCITS ETF USD (Dist) is US Dollar (US$).

*Benchmark Index*
The MSCI Korea 20/35 Index measures the performance of large and mid capitalisation stocks of the Korean equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The weight of the largest group entity in the Benchmark Index is capped at 35% and the weights of all other group entities are capped at 20% with a buffer of 10% applied on these limits at each Benchmark Index rebalancing. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI North America UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI North America Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity

securities that as far as possible and practicable consist of the component securities of the MSCI North America Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI North America UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI North America Index measures the performance of large and mid capitalisation stocks of the US and Canadian equity markets which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI Taiwan UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Taiwan 20/35 Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI Taiwan 20/35 Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares MSCI Taiwan UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI Taiwan 20/35 Index measures the performance of large and mid capitalisation stocks of the Taiwanese equity market which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. The weight of the largest group entity in the Benchmark Index is capped at 35% and the weights of all other group entities are capped at 20% with a buffer of 10% applied on these limits at each Benchmark Index rebalancing. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares MSCI World UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI World Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the MSCI World Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index.

The Base Currency of iShares MSCI World UCITS ETF is US Dollar (US$).

*Benchmark Index*
The MSCI World Index measures the performance of large and mid capitalisation stocks across developed market countries which comply with MSCI's size, liquidity, and free-float criteria. The Benchmark Index is market capitalisation weighted and rebalances on a quarterly basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at https://www.msci.com/constituents.

***iShares UK Dividend UCITS ETF***

*Investment Objective*
The investment objective of this Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the FTSE UK Dividend + Index.

*Investment Policy*
In order to achieve this investment objective, the investment policy of the Fund is to invest in a portfolio of equity securities that as far as possible and practicable consist of the component securities of the FTSE UK Dividend +

Index, this Fund's Benchmark Index. The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. **In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).**

The Base Currency of iShares UK Dividend UCITS ETF is Sterling (Stg£).

*Benchmark Index*
The FTSE UK Dividend+ Index measures the performance of higher yielding stocks within the universe of the FTSE 350 Index (excluding investment trusts). The Benchmark Index includes the top 50 stocks by one-year forecast dividend yield within the FTSE 350 Index. The Benchmark Index is weighted by the constituents' dividend yield as opposed to market capitalisation. The index eligibility and weighting criteria may be subject to change over time. The Benchmark Index rebalances on a semi-annual basis. Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at http://www.ftse.com/Indices/.

# METHODOLOGIES FOR CURRENCY AND INTEREST RATE HEDGING

The Company is a UCITS and accordingly the Funds are subject to the investment and borrowing restrictions set out in the Regulations and the Central Bank UCITS Regulations. These are set out in detail in Schedule III below.

***Currency Hedged and Interest Rate Hedged Funds***

Currency hedging and interest rate hedging are undertaken for the Currency Hedged Funds and Interest Rate Hedged Fund respectively via such Funds tracking Benchmark Indices that incorporate a foreign currency and interest rate hedging methodology respectively. The hedge positions may result in leverage being generated within these Funds on an intra-month basis. In relation to the foreign currency hedging component and the interest rate hedging component of the Currency Hedged Funds and of the Interest Rate Hedged Fund respectively, in the event that there is a gain on the hedge, no leverage will result from such gain. In the event that there is a loss on the hedge, leverage will result in the relevant Fund from such loss. Any leverage will be removed or reduced when the relevant Benchmark Index is rebalanced each month. As the Currency Hedged Funds and Interest Rate Hedged Fund track Benchmark Indices, they will seek to deliver an exposure similar to that generated by their respective Benchmark Indices.

The Investment Manager does not intend to leverage the Currency Hedged Funds and Interest Rate Hedged Fund beyond that required to track their respective Benchmark Indices.

Upon receipt of a subscription in the Currency Hedged Funds, the Investment Manager will allocate monies representing the subscription in proportion to the weightings in the relevant Benchmark Index. The intra-month foreign currency exchange position may mean that tracking the equity portion of the relevant Benchmark Index requires the Investment Manager to acquire securities representing the relevant Benchmark Index directly and also through a futures contract in proportion to the weightings of the securities comprising the relevant Benchmark Index and the value of the hedge.

***Currency Hedged Share Classes***

Currency hedging is undertaken for each Currency Hedged Share Class by hedging its underlying portfolio currency exposures that are different from its Valuation Currency to keep the difference between such underlying portfolio currency exposures and the Valuation Currency within a pre-determined tolerance. The Investment Manager will monitor the currency exposure of each Currency Hedged Share Class against the pre-determined tolerances daily and will determine when a currency hedge should be reset and the gain or loss arising from the currency hedge reinvested or settled, while taking into consideration the frequency and associated transaction and reinvestment costs of resetting the currency hedge. Currency hedging is carried out on a best efforts basis and there is no guarantee that the Investment Manager will be successful in fully hedging the currency risks. This could result in mismatches between the currency position of the relevant Fund and the Currency Hedged Share Class.

In the event that, the over-hedged or under-hedged position on any single underlying portfolio currency exposure of a Currency Hedged Share Class exceeds the pre-determined tolerance as at the close of a Business Day (for example, due to market movement), the hedge in respect of that underlying currency will be reset on the next Business Day (on which the relevant currency markets are open). Over-hedged positions shall not exceed 105% of the net asset value of the relevant Currency Hedged Share Class and under-hedged positions shall not fall short of 95% of the portion of the net asset value of the relevant Currency Hedged Share Class that is to be hedged against currency risk. In addition, if the aggregate gain or loss arising from the currency forwards for hedging all the underlying currencies of a Currency Hedged Share Class exceeds the pre-determined tolerance as at the close of a Business Day, the Investment Manager will determine on the next Business Day (on which the relevant currency markets are open) whether some or all of the currency hedges held by that Share Class are required to be reset to reduce the gain or loss if the gain or loss remains outside the tolerance. Applying the above tolerance thresholds will enable the Investment Manager to better manage the frequency and associated costs arising from FX transactions to effect the hedge for Currency Hedged Share Classes. The pre-determined tolerance threshold for each Currency Hedged Share Class is reviewed by BlackRock's Risk and Quantitative Analysis team.

In relation to the foreign currency hedging component of the Currency Hedged Share Classes, in the event that there is a gain on the foreign currency hedge, no leverage will result from such gain. In the event that there is a loss on the foreign currency hedge, leverage will result in the relevant Currency Hedged Share Classes from such loss. Any leverage will be removed or reduced when the relevant currency hedge is adjusted or reset as required for the relevant Currency Hedged Share Class. The Investment Manager does not intend to leverage the Currency Hedged Share Classes beyond the tolerance threshold at which point a reset of some or all of the currency hedges for that Currency Hedged Share Class will be triggered. In extreme market circumstances the tolerance threshold may be temporarily breached.

Upon receipt of a subscription in a Currency Hedged Share Class, the Investment Manager will allocate monies representing the subscription in proportion to the weightings between the securities held by the Fund that are attributable to that Share Class and the value of the hedge of that Share Class.

## INVESTMENT TECHNIQUES

The Funds invest in transferable securities in accordance with the Regulations and/or other liquid financial assets referred to in Regulation 68 of the Regulations with the aim of spreading investment risk. Each Fund's Investments will be limited to investments permitted by the Regulations which are described in more detail in Schedule III. Each Fund's Investments, other than its Investments in open-ended collective investment schemes, will normally be listed or traded on Regulated Markets set out in Schedule I.

There are a number of circumstances in which achieving the investment objective and policy of a Fund may be prohibited by regulation, may not be in the interests of holders of Shares or may require the use of strategies which are ancillary to those set out in the Fund's investment objective and policy. These circumstances include, but are not limited to the following:-

(i) Each Fund is subject to the Regulations which include, inter alia, certain restrictions on the proportion of that Fund's value which may be held in individual securities. Depending on the concentration of the Benchmark Index, a Fund may be restricted from investing to the full concentration level of the Benchmark Index. In addition, a Fund may hold synthetic securities within the limits set out in this Prospectus, provided that the synthetic securities are securities which are correlated to, or the return on which is based on securities which form part of the Benchmark Index.

(ii) The constituent securities of the Benchmark Index change from time to time (a "rebalancing"). The Investment Manager may adopt a variety of strategies when investing the assets of a Fund to bring it in line with the rebalanced Benchmark Index. For example, (a) for Equity Funds, where a security which forms part of the Benchmark Index is not available or is not available for the required value or a market for such security does not exist or is restricted, or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository receipt, a Fund may hold depository receipts relating to such securities (e.g. ADRs and GDRs); (b) for Fixed Income Funds, where a fixed income security which forms part of the Benchmark Index is not available or is not available for the required value or a market for such security does not exist or is restricted, or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository note or other fixed income securities, the Fund may hold depository notes relating to such securities (e.g. GDNs) and/or hold some other fixed income securities which have similar risk characteristics even if such fixed income securities are not themselves constituents of the Benchmark Index.

(iii) Funds that directly invest into listed shares on the Saudi Stock Exchange and the Investment Manager are subject to the QFI Rules, which impose certain limits on investment in Saudi listed shares by foreign investors (including QFIs). To the extent that the Investment Manager reaches any of these foreign ownership limits, the Investment Manager may be prohibited further from investing directly in Saudi listed shares or might be required to divest of certain of its holdings in Saudi listed shares, until such time as the foreign ownership thresholds are no longer being exceeded.

(iv) From time to time, securities in the Benchmark Index may be subject to corporate actions. The Investment Manager may manage these events at its discretion.

(v) A Fund may hold ancillary liquid assets and will normally have dividend/income receivables. The Investment Manager may purchase FDI (as outlined above), for direct investment purposes, to produce a return similar to the return on the Benchmark Index.

(vi) Securities included in the Benchmark Index may, from time to time, become unavailable, illiquid or unobtainable at fair value. In these circumstances, the Investment Manager may use a number of techniques, including purchasing securities which are not constituents of the Benchmark Index, whose returns, individually or collectively, are considered by the Investment Manager to be well-correlated to the constituents of the Benchmark Index.

(vii) The Investment Manager will have regard to the costs of any proposed portfolio transaction. It may not necessarily be efficient to execute transactions which bring a Fund perfectly in line with the Benchmark Index at all times.

***Replicating Funds***

Replicating index funds seek to replicate as closely as possible the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in similar proportion to their weightings in the Benchmark Index and, in doing so, are permitted to avail of the higher investment limits set out in section 4 of Schedule III for replicating index funds. It may not, however, always be possible or practicable to purchase each and every constituent of the Benchmark Index in accordance with the weightings of the Benchmark Index, or doing so may be detrimental to holders of Shares in the relevant Fund (for example, where there are considerable costs or practical difficulties involved in compiling a portfolio of securities in order to replicate the Benchmark Index, or in circumstances where a security in the Benchmark Index becomes temporarily illiquid, unavailable or less liquid, or as a result of legal restrictions that apply to the Fund but not to the Benchmark Index). Replicating index Funds as per the Regulations will state the intent to avail of the investment limits set out in section 4 of Schedule III in their investment policy.

The following Funds use a replicating strategy: iShares AEX UCITS ETF, iShares Asia Pacific Dividend UCITS ETF, iShares China Large Cap UCITS ETF, iShares Core FTSE 100 UCITS ETF, iShares Euro Dividend UCITS ETF,

iShares Euro Total Market Growth Large UCITS ETF, iShares Euro Total Market Value Large UCITS ETF, iShares European Property Yield UCITS ETF, iShares MSCI AC Far East ex-Japan UCITS ETF, iShares MSCI Brazil UCITS ETF USD (Dist), iShares MSCI Korea UCITS ETF USD (Dist), iShares MSCI Japan UCITS ETF USD (Dist), iShares MSCI Taiwan UCITS ETF and iShares UK Dividend UCITS ETF.

***Non-replicating Funds***

Certain Funds may not be replicating index funds for the purposes of the Regulations and therefore are not permitted to avail of the higher investment limits set out in section 4 of Schedule III which apply to replicating funds (instead, they may use optimisation techniques to achieve their investment objective). These Funds may, or may not, hold every security or the exact concentration of a security in its Benchmark Index, but will aim to track its Benchmark Index as closely as possible. The extent to which a Fund uses optimisation techniques will depend on the nature of the constituents of its Benchmark Index, the practicalities and cost of tracking the relevant Benchmark Index, and such use is at the discretion of the Investment Manager. For example, a Fund may use optimisation techniques extensively and may be able to provide a return similar to that of its Benchmark Index by investing only in a relatively small number of the constituents of its Benchmark Index. The Fund may also hold some securities which provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index even if such securities are not themselves constituents of the Benchmark Index and the Fund's holdings may exceed the number of constituents of the Benchmark Index. The use of optimisation techniques, implementation of which is subject to a number of constraints detailed in Schedule II and III, may not produce the intended results.

The following Funds use a non-replicating strategy: iShares $ Corp Bond Interest Rate Hedged UCITS ETF, iShares $ Corp Bond UCITS ETF, iShares $ Treasury Bond 0-1yr UCITS ETF, iShares $ Treasury Bond 1-3yr UCITS ETF, iShares $ Treasury Bond UCITS ETF, iShares € Corp Bond Large Cap UCITS ETF, iShares € Govt Bond 1-3yr UCITS ETF, iShares € High Yield Corp Bond UCITS ETF, iShares € Inflation Linked Govt Bond UCITS ETF, iShares £ Corp Bond 0-5yr UCITS ETF, iShares Core £ Corp Bond UCITS ETF, iShares Core MSCI EM IMI UCITS ETF, iShares Core S&P 500 UCITS ETF USD (Dist), iShares EURO STOXX Mid UCITS ETF, iShares EURO STOXX Small UCITS ETF, iShares FTSE 250 UCITS ETF, iShares Global Corp Bond UCITS ETF, iShares Global High Yield Corp Bond UCITS ETF, iShares MSCI Eastern Europe Capped UCITS ETF, iShares MSCI EM UCITS ETF USD (Dist), iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist), iShares MSCI Europe ex-UK UCITS ETF, iShares MSCI Japan USD Hedged UCITS ETF (Acc), iShares MSCI North America UCITS ETF and iShares MSCI World UCITS ETF.

***All Funds***

Where consistent with its investment policy, each Fund may from time to time invest in convertible securities, government bonds, liquidity instruments such as floating rate instruments and commercial paper (rated at least A3 by Moody's or an equivalent rating from another agency), Structured Finance Securities, other transferable securities (for example, medium term notes) and open-ended collective investment schemes. Subject to the provisions of the Regulations and the conditions imposed by the Central Bank, each Fund may invest in other Funds of the Company and/or in other collective investment schemes managed by the Manager. Funds which avail themselves of the investment limits set out in section 4 of Schedule III (i.e. replicating index funds per the Regulations), may only invest in these instruments to assist in gaining exposure to the component securities of their Benchmark Indices. The Equity Funds and the Fixed Income Funds may, in accordance with the requirements of the Central Bank in limited circumstances where direct investment in a constituent security of its Benchmark Index is not possible or where acquiring or holding such security is not as cost or tax efficient as acquiring or holding a depository receipt or a depository note, invest in depository receipts and depository notes respectively to gain exposure to the relevant security. The Funds may hold small amounts of ancillary liquid assets (which will normally have dividend/income receivables) and the Investment Manager, to produce a return similar to the return on the Benchmark Index, may purchase FDI. The Funds may also hold small amounts of cash ("Cash Holdings"). The Funds may, to preserve the value of such Cash Holdings, invest in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

In addition, a Fund may also engage in transactions in FDI including options and futures transactions, swaps, forward contracts, non-deliverable forwards, credit derivatives (such as single name credit default swaps and credit default swap indices), spot foreign exchange transactions, caps and floors, contracts for difference or other derivative transactions for direct investment, where appropriate, to assist in achieving its objective and for reasons such as generating efficiencies in gaining exposure to the constituents of the Benchmark Index or to the Benchmark Index itself, to produce a return similar to the return of the Benchmark Index, to reduce transaction costs or taxes or allow exposure in the case of illiquid securities or securities which are unavailable for market or regulatory reasons or to minimise tracking errors or for such other reasons as the Directors deem of benefit to a Fund.

The maximum proportion of the Net Asset Value of the Funds that can be subject to total return swaps and contracts for difference is 100%. The expected proportion of the Net Asset Value of the Funds that will be subject to total return swaps is 0% and the expected proportion of the Net Asset Value of the Funds that will be subject to contracts for difference is 0%. The expected proportions are not limits and the actual percentages may vary over time depending on factors including, but not limited to, market conditions.

In the event that a Fund invests in non-fully funded FDI, the Fund may invest (i) cash representing up to the notional amount of such FDI less margin payments (if any) in such FDI, and (ii) any variation margin cash collateral received in respect of such FDI (together "FDI Cash Holdings"), in one or more daily dealing money market collective investment schemes as set out below under the heading "Management of Cash Holdings and FDI Cash Holdings".

The Funds will not invest in fully funded FDI, including fully funded swaps.

*Disclosure in respect of the Funds marketed in Mexico*

Although the percentage of a Fund's net assets which must be invested in the component securities of its Benchmark Index is not prescribed by this Prospectus, the Funds marketed in Mexico will each generally invest at least 80% of their assets in securities of their respective Benchmark Indices and in depository receipts or depository notes, as applicable, representing securities of their respective Benchmark Indices. However, these Funds may at times each invest up to 20% of their assets in certain FDI, cash and cash equivalents, including money market funds managed by the Manager or Affiliates, as well as in securities not included in their respective Benchmark Indices, but which the Investment Manager believes will help these Funds track their respective Benchmark Indices. The list of Funds marketed in Mexico is available at the official iShares website (www.ishares.com).

**Risk Management Process**

The Investment Manager employs a risk management process in respect of the Funds in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDI ("global exposure") which each Fund gains. Any FDI not included in the risk management process will not be used until such time as a revised risk management process has been provided to the Central Bank. Information regarding the risks associated with the use of FDI can be found in the section entitled "Risk Factors - FDI Risks".

The Investment Manager uses the methodology known as the "Commitment Approach" in order to measure the global exposure of the Current Funds and manage the potential loss to them due to market risk. The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDI to determine the degree of global exposure of a Fund to FDI. Pursuant to the Regulations, in the event that a Fund uses leverage in the future, the global exposure for a Fund must not exceed 100% of that Fund's Net Asset Value.

The Funds may have small cash balances from time to time and may use FDI to produce a return on that cash similar to the Benchmark Index. The Funds may also use FDI as set out in this Prospectus. In addition, for Funds which invest in fixed income securities, in order to match the duration and risk profile of the relevant Benchmark Index they may obtain a larger percentage weight exposure through FDI than the relevant cash balance. It is not the Investment Manager's intention to leverage the Funds. The Central Bank considers that any resulting leverage below 5% of a Fund's Net Asset Value is consistent with the statement that a Fund does not intend to be leveraged.

**Management of Cash Holdings and FDI Cash Holdings**

The Funds may invest Cash Holdings and/or FDI Cash Holdings in one or more daily dealing money market collective investment schemes authorised as UCITS. Such collective investment schemes may be managed by the Manager and/or an Affiliate and are subject to the limits set out in Schedule III. Such collective investment schemes may comprise sub-funds in Institutional Cash Series plc which invest in money market instruments. Institutional Cash Series plc is a BlackRock umbrella fund and open-ended investment company with variable capital incorporated in Ireland and having segregated liability between its sub-funds. It is not anticipated that the Fund's Cash Holdings and/or FDI Cash Holdings will result in additional market exposure or capital erosion, however, to the extent that additional market exposure or capital erosion occurs it is expected to be minimal.

**ANTICIPATED TRACKING ERROR**

Tracking error is the annualised standard deviation of the difference in monthly returns between a fund and its benchmark index.

At BlackRock, we believe that this figure is important to a tactical investor who trades in and out of ETFs on a regular basis, often holding shares in an ETF for the period of only a few days or weeks. For a buy-to-hold investor with a longer investment time horizon, the tracking difference between the fund and the index over the target investment period should be more important as a measure of performance against the index. Tracking difference measures the actual difference between the returns of a Fund and the returns of the index (i.e. how closely a fund tracks its index), while tracking error measures the increase and decrease in tracking difference (i.e. volatility of tracking difference). We encourage investors to consider both metrics when evaluating an ETF.

Tracking error can be a function of the ETF replication methodology. Generally speaking, historical data provides evidence that synthetic replication produces lower tracking error than physical replication; however, the same data often also provides evidence that physical replication produces lower tracking difference than synthetic replication.

Anticipated tracking error is based on the expected volatility of differences between the returns of the relevant fund and the returns of its benchmark index. For a physically replicating ETF, one of the primary drivers of tracking error is the difference between a Fund's holdings and index constituents. Cash management and trading costs from rebalancing can also have an impact on tracking error as well as the return differential between the ETF and the benchmark index. The impact can be either positive or negative depending on the underlying circumstances.

Tracking error may also occur in respect of Funds that directly invest into securities of the KSA if the Investment Manager ceases to be approved by the CMA as a QFI or if its ability to invest in Saudi listed shares is restricted by the foreign ownership limits prescribed by the QFI Rules, as a Fund that directly invests into securities of the KSA may no longer be able to invest in Saudi listed shares directly and may need to invest in securities or other instruments that are not constituents of the Benchmark Index, but which provide a similar economic exposure to the return of the Benchmark Index. These instruments may include offshore futures, other exchange-traded funds

that would provide a similar exposure or unfunded swap agreements, which are agreements whereby a counterparty agrees to provide a Fund that directly invests into securities of the KSA with the returns of a specific exposure in return for a fee. Please refer to the section entitled "The Benchmark Index and Investment Techniques" above for other circumstances where Funds that directly invest into securities of the KSA may be unable to invest in the constituents of the Benchmark Index directly and which may therefore result in tracking error.

In addition to the above, the Company and/or a Fund may also have a tracking error due to withholding tax suffered by the Company and/or a Fund on any income received from its Investments. The level and quantum of tracking error arising due to withholding taxes depends on various factors such as any reclaims filed by the Company and/or a Fund with various tax authorities, any benefits obtained by the Company and/or a Fund under a tax treaty or any securities lending activities carried out by the Company and/or a Fund.

The table below displays the anticipated tracking error, in normal market conditions, of the Current Funds against each Fund's Benchmark Index, except that for Current Funds which have multiple Share Classes, the anticipated tracking error displayed is for the Unhedged Share Classes against the corresponding Fund's Benchmark Index (which is also unhedged). The anticipated tracking error of a Fund is not a guide to its future performance. The annual and semi-annual report and accounts will set out the actual realised tracking errors as at the end of the period under review.

| **Fund** | **Anticipated tracking error** |
|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | Up to 0.300% |
| iShares $ Corp Bond UCITS ETF | Up to 0.300% |
| iShares $ Treasury Bond 0-1yr UCITS ETF | Up to 0.050% |
| iShares $ Treasury Bond 1-3yr UCITS ETF | Up to 0.050% |
| iShares $ Treasury Bond UCITS ETF | Up to 0.030% |
| iShares € Corp Bond Large Cap UCITS ETF | Up to 0.200% |
| iShares € Govt Bond 1-3yr UCITS ETF | Up to 0.050% |
| iShares € High Yield Corp Bond UCITS ETF | Up to 0.400% |
| iShares € Inflation Linked Govt Bond UCITS ETF | Up to 0.100% |
| iShares £ Corp Bond 0-5yr UCITS ETF | Up to 0.300% |
| iShares AEX UCITS ETF | Up to 0.200% |
| iShares Asia Pacific Dividend UCITS ETF | Up to 0.400% |
| iShares China Large Cap UCITS ETF | Up to 0.350% |
| iShares Core £ Corp Bond UCITS ETF | Up to 0.300% |
| iShares Core FTSE 100 UCITS ETF | Up to 0.100% |
| iShares Core MSCI EM IMI UCITS ETF | Up to 0.600% |
| iShares Core S&P 500 UCITS ETF USD (Dist) | Up to 0.100% |
| iShares Euro Dividend UCITS ETF | Up to 0.500% |
| iShares EURO STOXX Mid UCITS ETF | Up to 0.300% |
| iShares EURO STOXX Small UCITS ETF | Up to 0.500% |
| iShares Euro Total Market Growth Large UCITS ETF | Up to 0.300% |
| iShares Euro Total Market Value Large UCITS ETF | Up to 0.400% |
| iShares European Property Yield UCITS ETF | Up to 0.500% |
| iShares FTSE 250 UCITS ETF | Up to 0.100% |
| iShares Global Corp Bond UCITS ETF | Up to 0.200% |
| iShares Global High Yield Corp Bond UCITS ETF | Up to 0.400% |
| iShares MSCI AC Far East ex-Japan UCITS ETF | Up to 0.300% |
| iShares MSCI Brazil UCITS ETF USD (Dist) | Up to 0.300% |
| iShares MSCI Eastern Europe Capped UCITS ETF | Up to 0.500% |
| iShares MSCI EM UCITS ETF USD (Dist) | Up to 0.500% |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | Up to 0.300% |
| iShares MSCI Europe ex-UK UCITS ETF | Up to 0.250% |
| iShares MSCI Japan UCITS ETF USD (Dist) | Up to 0.100% |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | Up to 0.200% |

| Fund | Anticipated tracking error |
|---|---|
| iShares MSCI Korea UCITS ETF USD (Dist) | Up to 0.300% |
| iShares MSCI North America UCITS ETF | Up to 0.150% |
| iShares MSCI Taiwan UCITS ETF | Up to 0.150% |
| iShares MSCI World UCITS ETF | Up to 0.150% |
| iShares UK Dividend UCITS ETF | Up to 0.300% |

## EFFICIENT PORTFOLIO MANAGEMENT

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities for efficient portfolio management purposes. Transactions for the purposes of efficient portfolio management may be undertaken with a view to achieving a reduction in risk, a reduction in costs or the generation of additional capital or income for the Fund with an appropriate level of risk, taking into account the risk profile of the relevant Fund and the general provisions of the Directive. These techniques and instruments may include Investments in FDI such as interest rate and bond futures (which may be used to manage interest rate risk), index futures (which may be used to manage cash flows on a short term basis), options (which may be used to achieve cost efficiencies, for example where the acquisition of the option is more cost effective than purchasing of the underlying asset), swaps (which may be used to manage currency risk) and Investments in money market instruments and/or money market collective investment schemes. Such techniques and instruments are set out in Schedule II. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject to the Central Bank's requirements) may employ such techniques and instruments.

A Fund may enter into securities lending, repurchase and/or reverse repurchase agreements for the purposes of efficient portfolio management subject to the conditions and limits set out in the Central Bank UCITS Regulations and in accordance with the requirements of the Central Bank.

The maximum proportion of the Net Asset Value of the Funds that can be subject to repurchase and reverse repurchase agreements is 100%. The expected proportion of the Net Asset Value of the Funds that will be subject to repurchase and reverse repurchase agreements is 0%. The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

The maximum proportion of the Net Asset Value of the Funds that can be subject to securities lending is 100% and for some Funds the proportion will be lower, as indicated below. The demand to borrow securities and to comply with investor tax regulations in certain jurisdictions are significant drivers for the amount that is actually lent from a Fund at a given time. Borrowing demand fluctuates over time and depends to a large extent on market factors and prevailing investor tax legislation in certain jurisdictions, neither of which can be forecasted precisely. Based on historical data, lending volumes for Funds invested in the following asset classes are typically in the ranges set out below, though past levels are no guarantee of future levels.

The maximum proportion of the Net Asset Value of a Fund that can be subject to securities lending is set at the discretion of the Manager. **Investors should note that a limitation of maximum securities lending levels by a Fund, at a time when demand exceeds those maximum levels, may reduce potential income to a Fund that is attributable to securities lending.**

| **Fund** | **Expected Net Asset Value subject to securities lending (%)** | **Maximum Net Asset Value subject to securities lending (%)** |
|---|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | 0-31% | 100% |
| iShares $ Corp Bond UCITS ETF | 0-31% | 100% |
| iShares $ Treasury Bond 0-1yr UCITS ETF | 0-99% | 100% |
| iShares $ Treasury Bond 1-3yr UCITS ETF | 0-99% | 100% |
| iShares $ Treasury Bond UCITS ETF | 0-99% | 100% |
| iShares € Corp Bond Large Cap UCITS ETF | 0-31% | 100% |
| iShares € Govt Bond 1-3yr UCITS ETF | 0-99% | 100% |
| iShares € High Yield Corp Bond UCITS ETF | 0-31% | 100% |
| iShares € Inflation Linked Govt Bond UCITS ETF | 0-99% | 100% |
| iShares £ Corp Bond 0-5yr UCITS ETF | 0-31% | 100% |
| iShares AEX UCITS ETF | 0%-34% | 37% |
| iShares Asia Pacific Dividend UCITS ETF | 0%-34% | 37% |
| iShares China Large Cap UCITS ETF | 0%-39% | 43% |
| iShares Core £ Corp Bond UCITS ETF | 0%-31% | 100% |
| iShares Core FTSE 100 UCITS ETF | 0%-20% | 22% |
| iShares Core MSCI EM IMI UCITS ETF | 0%-27% | 30% |
| iShares Core S&P 500 UCITS ETF USD (Dist) | 0%-15% | 17% |
| iShares Euro Dividend UCITS ETF | 0%-29% | 32% |
| iShares EURO STOXX Mid UCITS ETF | 0%-30% | 33% |

| | | |
|---|---|---|
| iShares EURO STOXX Small UCITS ETF | 0%-34% | 37% |
| iShares Euro Total Market Growth Large UCITS ETF | 0%-30% | 33% |
| iShares Euro Total Market Value Large UCITS ETF | 0%-20% | 22% |
| iShares European Property Yield UCITS ETF | 0%-100% | 100% |
| iShares FTSE 250 UCITS ETF | 0%-100% | 100% |
| iShares Global Corp Bond UCITS ETF | 0%-31% | 100% |
| iShares Global High Yield Corp Bond UCITS ETF | 0%-31% | 100% |
| iShares MSCI AC Far East ex-Japan UCITS ETF | 0%-24% | 26% |
| iShares MSCI Brazil UCITS ETF USD (Dist) | 0%-5% | 6% |
| iShares MSCI Eastern Europe Capped UCITS ETF | 0%-19% | 21% |
| iShares MSCI EM UCITS ETF USD (Dist) | 0%-20% | 22% |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | 0%-20% | 22% |
| iShares MSCI Europe ex-UK UCITS ETF | 0%-20% | 22% |
| iShares MSCI Japan UCITS ETF USD (Dist) | 0%-39% | 43% |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | 0%-34% | 37% |
| iShares MSCI Korea UCITS ETF USD (Dist) | 0%-39% | 43% |
| iShares MSCI North America UCITS ETF | 0%-15% | 17% |
| iShares MSCI Taiwan UCITS ETF | 0%-10% | 11% |
| iShares MSCI World UCITS ETF | 0%-20% | 22% |
| iShares UK Dividend UCITS ETF | 0%-29% | 32% |

# RISK FACTORS

**Investors' attention is drawn to the following risk factors in relation to the Funds. This does not purport to be an exhaustive list of the risk factors relating to investing in the Company or its Funds.**

**General investment risks**

***Investment Risks***
Past performance is not a guide to the future. The prices of Shares 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 Fund will achieve its investment objective or that an investor will recover the full amount invested in a Fund. The capital return and income of each Fund are based on the capital appreciation and income of the securities it holds, less expenses incurred and any relevant Duties and Charges. Therefore, each Fund's return may be expected to fluctuate in response to changes in such capital appreciation or income.

***Market Risk***
Market risk is the risk that one or more markets in which a Fund invests will go down in value, including the possibility that the markets will go down sharply and unpredictably. The value of a security or other asset may decline due to changes in general market conditions, economic trends or events that are not specifically related to the issuer of the security or other asset, or factors that affect a particular issuer or issuers, exchange, country, group of countries, region, market, industry, group of industries, sector or asset class. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events could have a significant impact on a Fund and its investments.

**Risks specific to investing in index-tracking exchange traded funds (ETFs)**

***Passive Investment Risk***
The Funds are not actively managed and may be affected by a general decline in market segments related to their respective Benchmark Indices. The Funds invest in securities included in, or representative of, their respective Benchmark Indices, and the Funds do not attempt to take defensive positions under any market conditions, including declining markets.

***Index Tracking Risks***
While the Funds seek to track the performance of their respective Benchmark Indices, whether through a replication or optimising strategy, there is no guarantee that they will achieve perfect tracking and the Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices, from time to time. This tracking error may result from an inability to hold the exact constituents of the Benchmark Index (although this is not the expected cause of tracking error for non-replicating Funds), for example where there are local market trading restrictions, small illiquid components, a temporary unavailability or interruption in trading of certain securities comprising the Benchmark Index and/or where the Regulations limit exposure to the constituents of the Benchmark Index. For liquidity purposes, the Funds may hold a portion of their net assets in cash and such cash holdings will not rise and fall in line with movements in their respective Benchmark Indices. In addition, the Company relies on index licences granted by third party index providers to use and track the Benchmark Indices for its Funds. In the event that an index provider terminates or varies an index licence, it will affect the ability of the impacted Funds to continue to use and track their Benchmark Indices and to meet their investment objectives. In such circumstances, the Directors may take such action as described in the section entitled "Benchmark Indices". Regardless of market conditions, the Funds aim to track the performance of their respective Benchmark Indices and do not seek to outperform their respective Benchmark Indices.

***Optimising strategy***
It may not be practical or cost efficient for certain Funds to replicate their respective Benchmark Indices. Where it is not part of a Fund's investment policy to replicate its Benchmark Index, such Funds may use optimisation techniques to track the performance of their respective Benchmark Indices. Optimisation techniques may include the strategic selection of some (rather than all) of the securities that make up the Benchmark Index, holding securities in proportions that differ from the proportions of the Benchmark Index and/or the use of FDI to track the performance of certain securities that make up the Benchmark Index. The Investment Manager may also select securities which are not underlying constituents of the relevant Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the relevant Benchmark Index. Optimising Funds may potentially be subject to tracking error risk, which is the risk that their returns may not track exactly those of their respective Benchmark Indices.

***Index-Related Risks***
As prescribed by this Prospectus, in order to meet its investment objective, each Fund seeks to achieve a return which corresponds generally to the price and yield performance, before fees and expenses, of the relevant Benchmark Index as published by the index provider. There is no assurance that the index provider will compile the Benchmark Index accurately, or that the Benchmark Index will be determined, composed or calculated accurately. While the index provider does provide descriptions of what the Benchmark Index is designed to achieve, the index provider does not provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of the Benchmark Index, and does not guarantee that the Benchmark Index will be in line with the described index methodology. The Investment Manager's mandate as described in this Prospectus is to manage the Funds consistently with the relevant Benchmark Index provided to the Investment Manager. Consequently, the Investment Manager does not provide any warranty or guarantee for index provider

errors. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, particularly where the indices are less commonly used. Therefore gains, losses or costs associated with index provider errors will be borne by the Funds and their investors. For example, during a period where the Benchmark Index contains incorrect constituents, a Fund tracking such published Benchmark Index would have market exposure to such constituents and would be underexposed to the constituents that should have been included in the Benchmark Index. As such, errors may result in a negative or positive performance impact to the Funds and their investors. Investors should understand that any gains from index provider errors will be kept by the Funds and their investors and any losses resulting from index provider errors will be borne by the Funds and their investors.

Apart from scheduled rebalances, the index provider may carry out additional ad hoc rebalances to the Benchmark Index in order, for example, to correct an error in the selection of index constituents. Where the Benchmark Index of a Fund is rebalanced and the Fund in turn rebalances its portfolio to bring it in line with its Benchmark Index, any transaction costs (including any capital gains tax and/or transaction taxes) and market exposure arising from such portfolio rebalancing will be borne directly by the Fund and its investors. Unscheduled rebalances to the Benchmark Indices may also expose the Funds to tracking error risk, which is the risk that its returns may not track exactly those of the Benchmark Index. Therefore, errors and additional ad hoc rebalances carried out by the index provider to a Benchmark Index may increase the costs and market exposure risk of the relevant Fund.

In relation to Funds that directly invest into securities of the KSA, the purchase of securities of the KSA requires cash for such trades to settle in the relevant custodian account two business days after the relevant trade date (the "KSA T+2 Cash Settlement Requirement"). The rebalancing of Funds that directly invest into securities of the KSA may not be able to comply with the KSA T+2 Cash Settlement Requirement if they do not have sufficient amounts of cash available and instead will rely on borrowing cash from the relevant custodian to pay for such securities of the KSA.

Where a Fund's Benchmark Index aims to identify securities that meet criteria which have an element of being forward looking (for example, securities that are expected to provide a high yield), there is no guarantee that the Benchmark Index will meet its objective. Many factors can affect the performance of a security and the impact of these factors on a security or its price can be difficult to predict.

***Authorised Participant Concentration Risk***
Only an Authorised Participant may engage in creation or redemption transactions directly with the Funds. Certain Funds have a limited number of institutions that act as Authorised Participants. To the extent that these institutions exit the business or are unable to proceed with creation and/or redemption orders with respect to the Funds and no other Authorised Participant is able to step forward to make creation and/or redemption orders, the Shares may trade at a discount to the Funds' Net Asset Value and possibly face delisting.

***Secondary Trading Risk***
The Shares will generally be traded on the main market of the LSE (or SIX) and may be listed or traded on one or more other stock exchanges. There can be no certainty that there will be liquidity in the Shares on any one or more of the stock exchanges or that the market price at which Shares may be traded on a stock exchange will be the same as the Net Asset Value per Share. There can be no guarantee that once the Shares are listed or traded on a stock exchange they will remain listed or traded on that stock exchange.

***Suspension risk on local markets***
In certain markets (including, without limitation, Taiwan), trading on the local exchange may be carried out by one or a small number of local market account holders. If such account holder(s) fail(s) to deliver securities or monies in relation to a trade, there is a risk of suspension in relation to all Funds which effect their trading on the local market through such account holder(s). This risk may be increased where a Fund participates in a securities lending programme. Suspension in either case may increase the costs of the Fund.

**Counterparty and trading risks**

***Counterparty Risk***
The Company will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. This would include the counterparties to any FDI that is entered into by a Fund. Trading in FDI which have not been collateralised gives rise to direct counterparty exposure. The Company mitigates much of its credit risk to its FDI counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any FDI is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. Currency forwards used by the Currency Hedged Funds and Currency Hedged Share Classes to hedge their currency risks are not collateralised and the Currency Hedged Funds and Currency Hedged Share Classes have uncollateralised counterparty exposure to such foreign exchange counterparties in respect of such FDI, subject to the investment limits in Schedules II & III and subject to Currency Hedged Share Classes not being permitted to have over-hedged positions in excess of 105% of their Net Asset Value. As at the date of this Prospectus, State Street is the sole counterparty for currency forwards used by any Equity Fund which is also a Currency Hedged Fund and State Street is also the sole counterparty for currency forwards used by Currency Hedged Share Classes. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Company maintains an active oversight of counterparty exposure and the collateral management process. Counterparty exposure is subject to the investment restrictions in Schedule III.

***Counterparty Risk to the Depositary and other depositaries***
The Company will be exposed to the credit risk of the Depositary or any depository used by the Depositary where cash or other assets are held by the Depositary or other depositaries. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. Cash held by the Depositary and other depositaries will not be segregated in practice but will be a debt owing from the Depositary or other depositaries to the Company as a depositor. Such cash will be co-mingled with cash belonging to other clients of the Depositary and/or other depositaries. In the event of the insolvency of the Depositary or other depositaries, the Company will be treated as a general unsecured creditor of the Depositary or other depositaries in relation to cash holdings of the Company. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the relevant Fund(s) will lose some or all of their cash. The Company's securities are however maintained by the Depositary and sub-custodians used by the Depositary in segregated accounts and should be protected in the event of insolvency of the Depositary or sub-custodians. The Company may enter into additional arrangements (for example placing cash in money market collective investment schemes) in order to mitigate credit exposure for its cash holdings but may be exposed to other risks as a result.

To mitigate the Company's exposure to the Depositary, the Investment Manager employs specific procedures to ensure that the Depositary is a reputable institution and that the credit risk is acceptable to the Company. If there is a change in Depositary then the new depositary will be a regulated entity subject to prudential supervision with a high credit rating assigned by international credit rating agencies.

***Liability of the Depositary and Responsibility of the Depositary for Sub-Custodians***
The Depositary shall be liable to the Company and its shareholders for the loss by the Depositary or a sub-custodian of financial instruments of the Company held in custody. In the case of such a loss, the Depositary is required, pursuant to the Regulations, to return the financial instrument of an identical type or the corresponding amount to the Company without undue delay, unless the Depositary can prove that the loss arose as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. This standard of liability only applies to assets capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian and assets capable of being physically delivered to the Depositary.

The Depositary shall also be liable to the Company and its shareholders for all other losses suffered by the Company and/or its shareholders as a result of the Depositary's negligent or intentional failure to fully fulfil its obligations pursuant to the Regulations. In the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary.

The liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party. In the event that custody is delegated to local entities that are not subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction concerned, prior Shareholder notice will be provided advising of the risks involved in such delegation. As noted above, in the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary. Accordingly, while the liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party, in markets where custodial and/or settlement systems may not be fully developed, a Fund may be exposed to sub-custodial risk in respect of the loss of such assets in circumstances whereby the Depositary may have no liability.

***Counterparty risk to the Paying Agent - dividend monies***
The Paying Agent for the Funds is responsible for making dividend payments to Participants on the relevant dividend payment date. Shortly before the dividend payment date, monies for distribution to Participants as dividends will be transferred from the Company's cash accounts with the Depositary to the Paying Agent. During the interim period, dividend monies are held with the Paying Agent (or its associated depositary bank) in the form of cash and the Company will have credit risk exposure, in respect of such cash, to the Paying Agent and its associated depositary bank. Cash held by the Paying Agent will not be segregated in practice but will be a debt owing from the Paying Agent (or its associated depositary bank) to the Company as a depositor. In the event of the insolvency of the Paying Agent (or its associated depositary bank) during the interim period, the Company will be treated as a general unsecured creditor of the Paying Agent (or its associated depositary bank) in relation to the cash. The Company may face difficulties and/or encounter delays in recovering such debt, or may not be able to recover it in full or at all, in which case the Company may lose some or all of the dividend monies being distributed by the Paying Agent resulting in a reduction in the value of a Fund.

***On Exchange Trading***
Where a counterparty to an on exchange trade in the Fund's underlying securities suffers an Insolvency Event, there are risks associated with the recognised investment exchanges and markets themselves set out in Schedule I. There is a risk that the relevant recognised investment exchange or market on which the trade is being conducted will not apply its rules fairly and consistently and that failed trades will be effected notwithstanding the insolvency of one of the counterparties. There is also a risk that a failed trade will be pooled with other failed trades, which may make it difficult to identify a failed trade to which the Fund has been a party. Either of these events may have a negative impact on the value of the Fund.

**Settlement through an International Central Securities Depositary**

***Inaction by the Common Depositary and/or an International Central Securities Depositary***
Investors that settle or clear through an International Central Securities Depositary will not be a registered Shareholder in the Company, they will hold an indirect beneficial interest in such Shares and the rights of such investors, where Participants, shall be governed by their agreement with the applicable International Central Securities Depositary and otherwise by the arrangement with a Participant of the International Central Securities Depositary (for example, their nominee, broker or Central Securities Depositaries, as appropriate). The Company will issue any notices and associated documentation to the registered holder of the Global Share Certificate, the Common Depositary's Nominee, with such notice as is given by the Company in the ordinary course when convening general meetings. The Common Depositary's Nominee has a contractual obligation to relay any such notices received by the Common Depositary's Nominee to the Common Depositary which, in turn, has a contractual obligation to relay any such notices to the applicable International Central Securities Depositary, pursuant to the terms of its appointment by the relevant International Central Securities Depositary. The applicable International Central Securities Depositary will in turn relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Directors understand that the Common Depositary is contractually bound to collate all votes received from the applicable International Central Securities Depositaries (which reflects votes received by the applicable International Central Securities Depositary from Participants) and that the Common Depositary's Nominee is obligated to vote in accordance with such instructions. The Company has no power to ensure the Common Depositary relays notices of votes in accordance with their instructions. The Company cannot accept voting instructions from any persons other than the Common Depositary's Nominee.

***Payments***
With the authorisation of the Common Depositary's Nominee, any dividends declared and any liquidation and mandatory redemption proceeds are paid by the Company or its authorised agent (for example, the Paying Agent) to the applicable International Central Securities Depositary. Investors, where they are Participants, must look solely to the applicable International Central Securities Depositary for their share of each dividend payment or any liquidation or mandatory redemption proceeds paid by the Company or, where they are not Participants, they must look to their respective nominee, broker or Central Securities Depositary (as appropriate, which may be a Participant or have an arrangement with a Participant of the applicable International Central Securities Depositary) for any share of each dividend payment or any liquidation or mandatory redemption proceeds paid by the Company that relates to their investment.

Investors shall have no claim directly against the Company in respect of dividend payments and any liquidation and mandatory redemption proceeds due on Shares represented by the Global Share Certificate and the obligations of the Company will be discharged by payment to the applicable International Central Securities Depositary with the authorisation of the Common Depositary's Nominee.

**Specific investment risks for all Funds**

***Recent Market Events***
Periods of market volatility may occur in response to various political, social and economic events both within and outside of the United States. These conditions have resulted in, and in many cases continue to result in, greater price volatility, less liquidity, widening credit spreads and a lack of price transparency, with many securities remaining illiquid and of uncertain value. Such market conditions may adversely affect the Funds, including by making valuation of some of a Fund's securities uncertain and/or result in sudden and significant valuation increases or declines in the Fund's holdings. If there is a significant decline in the value of a Fund's portfolio, this may impact the asset coverage levels for any outstanding leverage the Fund may have.

Risks resulting from any future debt or other economic crisis could also have a detrimental impact on the global economic recovery, the financial condition of financial institutions and a Fund's business, financial condition and results of operation. Market and economic disruptions have affected, and may in the future affect, consumer confidence levels and spending, personal bankruptcy rates, levels of incurrence and default on consumer debt and home prices, among other factors. To the extent uncertainty regarding the U.S. or global economy negatively impacts consumer confidence and consumer credit factors, a Fund's business, financial condition and results of operations could be significantly and adversely affected. Downgrades to the credit ratings of major banks could result in increased borrowing costs for such banks and negatively affect the broader economy. Moreover, Federal Reserve policy, including with respect to certain interest rates, may also adversely affect the value, volatility and liquidity of dividend- and interest-paying securities. Market volatility, rising interest rates and/or unfavourable economic conditions could impair a Fund's ability to achieve its investment objective(s).

***Impact of Natural or Man-Made Disasters and Disease Epidemics***
Certain regions are at risk of being affected by natural disasters or catastrophic natural events. Considering that the development of infrastructure, disaster management planning agencies, disaster response and relief sources, organized public funding for natural emergencies, and natural disaster early warning technology may be immature and unbalanced in certain countries, the natural disaster toll on an individual portfolio company or the broader local economic market may be significant. Prolonged periods may pass before essential communications, electricity and other power sources are restored and operations of the portfolio company can be resumed. A Fund's investments could also be at risk in the event of such a disaster. The magnitude of future economic repercussions of natural disasters may also be unknown, may delay a Fund's ability to invest in certain companies, and may ultimately prevent any such investment entirely.

Investments may also be negatively affected by man-made disasters. Publicity of man-made disasters may have a significant negative impact on overall consumer confidence, which in turn may materially and adversely affect the performance of a Fund's Investments, whether or not such investments are involved in such man-made disaster.

Outbreaks of infectious diseases may also have a negative impact on the performance of the Funds. For example, an outbreak of respiratory disease caused by a novel coronavirus was first detected in December 2019 and then spread globally. This coronavirus has resulted in borders closing, restrictions on movement of people, quarantines, cancellations of transportation and other services, disruptions to supply chains, businesses and customer activity, as well as general concern and uncertainty. It is possible that there may be similar outbreaks of other infectious diseases in the future. The impact of this coronavirus, and other epidemics and pandemics that may arise in the future, could affect the economies of many nations, individual companies and the market in general in ways that cannot necessarily be foreseen at the present time. In addition, the impact of infectious diseases in emerging developing or emerging market countries may be greater due to less established health care systems. Health crises caused by the recent coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. The impact of the outbreak may be short term or may last for an extended period of time. Such events could increase volatility and the risk of loss to the value of your investments.

***Governmental Intervention Risk***
In response to a recession, economic slowdown or financial market instability, governments and regulators may choose to intervene by implementing austerity measures and reforms, as seen in the 2007-2008 global financial crisis. There is no guarantee that a government or regulatory intervention will work and they may result in social unrest, limit future growth and economic recovery or have unintended consequences. Additionally, government and regulatory intervention have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets.

It is impossible to predict with certainty what temporary or permanent governmental restrictions may be imposed on the markets in the future and/or the effect of such restrictions on the Investment Manager's ability to implement the Funds' investment objectives, the European or global economy or the global securities markets. Instability in the global financial markets or government intervention may increase the volatility of the Funds and hence the risk of loss to the value of your investment.

Funds which invest in the European bond market are directly exposed to intervention by the European Central Bank and governments of relevant European countries, particularly in relation to interest rates and the single European currency. For example, the value of the bonds held by a Fund is likely to decrease if interest rates are increased, and bond pricing complications could arise should a country leave the single European currency or that currency be discontinued completely.

***Issuer Risk***
The performance of a Fund depends on the performance of individual securities to which the Fund has exposure. Any issuer of these securities may perform poorly, causing the value of its securities to decline. Poor performance may be caused by poor management decisions, competitive pressures, changes in technology, expiration of patent protection, disruptions in supply, labour problems or shortages, corporate restructurings, fraudulent disclosures or other factors. Issuers may, in times of distress or at their own discretion, decide to reduce or eliminate dividends, which may also cause their stock prices to decline.

***Money Market Risk***
The Company, with a view to mitigating credit exposure to depositaries, may arrange for cash holdings of the Company (including pending dividend payments) to be placed into money market collective investment schemes, including other funds of the BlackRock Group. A money market collective investment scheme which invests a significant amount of its assets in money market instruments may be considered as an alternative to investing in a regular deposit account. However, a holding in such a scheme is subject to the risks associated with investing in a collective investment scheme and, while a money market collective investment scheme is designed to be a relatively low risk investment, it is not entirely free of risk. Despite the short maturities and high credit quality of investments of such schemes, increases in interest rates and deteriorations in the credit quality can reduce the scheme's yield and the scheme is still subject to the risk that the value of such scheme's investment can be eroded and the principal sum invested will not be returned in full.

***Securities Lending Risk***
The Company engages in a securities lending programme through the Investment Manager. In order to mitigate the credit risk exposure to the counterparties to any securities lending contract, the lending of a Fund's securities must be covered by high quality and liquid collateral received by the Fund under a title transfer arrangement with a market value at all times at least equivalent to the market value of the Fund's securities lent plus a premium. A Fund's securities can be lent to counterparties over a period of time. The risks of securities lending include the risk that a borrower may not provide additional collateral when required or may not return the securities when due. A default by the counterparty combined with a fall in the value of the collateral below that of the value of the securities lent may result in a reduction in the value of the Fund. To the extent that any securities lending is not fully collateralised (for example due to timing issues arising from payment lags), the Company will have a credit risk exposure to the counterparties to the securities lending contracts. To mitigate these risks, the Company benefits from a borrower default indemnity provided by BlackRock, Inc. The indemnity allows for full replacement of the securities lent if the collateral received does not cover the value of the securities loaned in the event of a borrower default.

Investors should note that a limitation of maximum securities lending levels by a Fund, at a time when demand exceeds those maximum levels, may reduce potential income to a Fund that is attributable to securities lending.

Please refer to "Efficient Portfolio Management" for further detail.

***Currency Risk***
The Base Currency of a Fund is usually chosen to match the base currency in which its Benchmark Index is valued and this may differ from the currency of the underlying assets of the Benchmark Index. In addition, a Fund's Benchmark Index may comprise multiple-currency underlying assets. Consequently, the Investments of a Fund may be acquired in currencies which are not the Base Currency of the Fund. In addition, certain Funds may have Share Classes which have different Valuation Currencies from the Base Currency of the Fund. Consequently, the Investments of a Share Class may be acquired in currencies which are not the Valuation Currency of the Share Class.

Unless it is the stated intention of the Company to use hedging or other techniques and instruments in any Funds in order to cover currency risk, the fact that Base Currencies, Valuation Currencies and the currencies of Funds' Investments may differ may cause the cost of purchasing such Investments to be affected favourably or unfavourably by fluctuations in the relative exchange rates of the different currencies. For emerging market countries, volatility in currency markets can be heightened.

**Risks specific to Funds focusing on specific markets**

***Concentration Risk***
If the Benchmark Index of a Fund concentrates in a particular country, region, industry, group of industries, sector or specific theme that Fund may be adversely affected by the performance of those securities and may be subject to price volatility. In addition, a Fund that concentrates in a single country, region, industry or group of countries or industries may be more susceptible to any single economic, market, political or regulatory occurrence affecting that country, region, sector, industry or group of countries or industries. Such a Fund may be more susceptible to greater price volatility when compared to a more diverse fund. This could lead to a greater risk of loss to the value of your investment.

The Funds that are replicating index Funds per the Regulations may invest more than 10% and up to 20% of their Net Asset Value in shares issued by the same body in order to replicate their respective Benchmark Indices. This limit may be raised to 35% for a single issuer, where this is justified by exceptional market conditions, for example, market dominance. Market dominance exists where a particular constituent of the Benchmark Index has a dominant position in the particular market sector in which it operates and as such accounts for a large proportion of the Benchmark Index. This means that such a Fund may have a high concentration of investment in one company, or a relatively small number of companies, and may therefore be more susceptible to any single economic, market, political or regulatory occurrence affecting that company or those companies.

***Emerging Markets - General***
Emerging markets are subject to special risks associated with investment in an emerging market. The material risks include: generally less liquid and less efficient securities markets; generally greater price volatility; exchange rate fluctuations and exchange control; lack of available currency hedging instruments; abrupt imposition of restrictions on foreign investment; imposition of restrictions on the expatriation of funds or other assets; less publicly available information about issuers; the imposition of taxes; higher transaction and custody costs; settlement delays and risk of loss; difficulties in enforcing contracts; less liquidity and smaller market capitalisations; less well-regulated markets resulting in more volatile stock prices; different accounting and disclosure standards; governmental interference; risk of expropriation, nationalisation or confiscation of assets or property; higher inflation; social, economic and political instability and uncertainties; the risk of expropriation of assets and the risk of war. In the absence of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations, the Depositary may not be liable to the Company or its shareholders for the loss of an asset of a Fund which is not capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian or being physically delivered to the Depositary. Accordingly, while the liability of the Depositary is not affected by the fact that it has entrusted the custody of the Company's assets to a third party, in markets where custodial and/or settlement systems may not be fully developed, a Fund may be exposed to sub-custodial risk in respect of the loss of such assets in circumstances whereby the Depositary will have no liability. In the event that custody is delegated to local entities that are not subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, prior Shareholder notice will be provided advising of the risks involved in such delegation.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

*Investments in Brazil*
On 14 September 2016, the Brazilian tax authorities issued Normative Instruction 1658/16 amending the list of countries considered to be 'low tax jurisdictions' to include Curacao, Saint Martin and Ireland and exclude the Netherlands Antilles and Saint Kitts and Nevis. The changes were effective from 1 October 2016 onwards. As a consequence, Brazilian capital gains tax and increased income withholding tax rates on interest on capital distributions apply to Brazilian securities. Any capital gains tax calculable as a result of portfolio transactions relating to redemptions will be dealt with in accordance with the definition of "Duties and Charges" and may result in an additional spread, which may reduce the net proceeds received for the redemption. Any capital gains tax incurred as a result of portfolio transactions not related to redemptions (e.g. rebalancing) will be borne by the respective Fund.

*Investments in the PRC*
For Funds that invest in or are exposed to investment in the PRC, potential investors should also consider the

following risk warnings which are specific to investing in or exposure to the PRC:

- The PRC is one of the world's largest global emerging markets. The economy in the PRC, which has been in a state of transition from a planned economy to a more market orientated economy, differs from the economies of most developed countries and investing in the PRC may be subject to greater risk of loss than investments in developed markets. This is due to, among other things, greater market volatility, lower trading volume, political and economic instability, greater risk of market shut down, greater control of foreign exchange and more limitations on foreign investment policy than those typically found in a developed market. There may be substantial government intervention in the PRC economy, including restrictions on investment in companies or industries deemed sensitive to relevant national interests. The PRC government and regulators may also intervene in the financial markets, such as by the imposition of trading restrictions, which may affect the trading of Chinese securities. The companies in which a Fund invests may be held to lower disclosure, corporate governance, accounting and reporting standards than companies in more developed markets. In addition, some of the securities held by a Fund may be subject to higher transaction and other costs, foreign ownership limits, the imposition of withholding or other taxes, or may have liquidity issues which make such securities more difficult to sell at reasonable prices. These factors may have an unpredictable impact on a Fund's investments and increase the volatility and hence the risk of a loss to the value of an investment in a Fund. Furthermore, market interventions may have a negative impact on market sentiment which may in turn affect the performance of the Benchmark Index and, by extension, the performance of a Fund.

- The PRC economy has experienced significant and rapid growth in the past 20 years. However, such growth may or may not continue, and may not apply evenly across different geographic locations and sectors of the PRC economy. Economic growth has also been accompanied by periods of high inflation. The PRC government has implemented various measures from time to time to control inflation and restrain the rate of economic growth of the PRC economy. Furthermore, the PRC government has carried out economic reforms to achieve decentralisation and utilisation of market forces to develop the economy of the PRC. These reforms have resulted in significant economic growth and social progress. There can, however, be no assurance that the PRC government will continue to pursue such economic policies or, if it does, that those policies will continue to be successful. Any such adjustment and modification of those economic policies may have an adverse impact on the securities markets in the PRC and therefore on the performance of a Fund. These factors may increase the volatility of any such Fund (depending on its degree of investment in the PRC) and hence the risk of loss to the value of your investment.

***India***

For Funds that invest in or are exposed to investment in India, potential investors should also consider the following risk warnings which are specific to investing in or exposure to India:

- India is located in a part of the world that has historically been prone to natural disasters such as earthquakes, volcanoes and tsunamis and India is economically sensitive to environmental events. In addition, the agricultural sector is an important component of the Indian economy and adverse weather may have a significant negative effect on the Indian economy.

- India has experienced a process of privatisation of certain entities and industries. If the newly privatised companies are unable to adjust quickly to a competitive environment or to changing regulatory and legal standards, investors in such newly privatised entities could suffer losses and this could adversely affect the performance of the Indian market.

- The Indian economy is dependent on commodity prices, which can be volatile and this poses risk of macro-economic instability. The Indian economy is also dependent on the economies of Asia, mainly Japan and China, and the United States as key trading partners. Reduction in spending on Indian products and services by any of these trading partners or a slowdown or recession in any of these economies could adversely affect the Indian economy.

- India has experienced acts of terrorism and has strained international relations with Pakistan, Bangladesh, China, Sri Lanka and other neighbours due to territorial disputes, historical animosities, terrorism and other defence concerns. These situations may cause uncertainty in the Indian market and may adversely affect performance of the Indian economy.

- Disparities of wealth, the pace of economic liberalisation and ethnic, religious and racial disaffection may lead to social turmoil, violence and labour unrest in India. In addition, India continues to experience religious and border disputes as well as separatist movements in certain Indian states. Unanticipated political or social developments may result in investment losses.

- The Indian government has experienced chronic structural public sector deficits. High amounts of debt and public spending may stifle Indian economic growth, cause prolonged periods of recession or lower India's sovereign debt rating.

- Indian disclosure and regulatory standards are in many respects less stringent than standards in certain OECD (Organisation for Economic Co-operation and Development) countries. There may be less publicly available information about Indian companies than is regularly published by or about companies in such other countries. The difficulty in obtaining such information may mean that a Fund experiences difficulties in obtaining reliable information regarding any corporate actions and dividends of companies in which such a Fund has directly or indirectly invested. Indian accounting standards and requirements also differ in significant respects from those applicable to companies in many OECD countries.

- A Fund, the market price and the liquidity of the Shares may be affected generally by exchange rates and controls, interest rates, changes in Indian governmental policy, taxation, social and religious instability and other political, economic or other developments in or affecting India.

- Although the Indian primary and secondary equity markets have grown rapidly and the clearing, settlement and registration systems available to effect trades on the Indian stock markets have significantly improved with mandatory dematerialisation of shares, these processes may still not be on a par with those in more mature markets. Problems of settlement in India may impact on the Net Asset Value and the liquidity of a Fund.

- SEBI was created under the resolution of the Government of India in April 1992, and performs the function of "promoting the development of and regulation of the Indian securities market, the protection of the interest of shareholders as well as matters connected therewith and incidental thereto". The Securities and Exchange Board of India Act of 1992 has entrusted the SEBI with much wider powers and duties, which inter alia, include prohibition of fraudulent and unfair trade practices relating to the stock markets including insider trading and regulation of substantial acquisitions of shares and takeovers of companies. The Indian stock exchanges have been subject to broker defaults, failed trades and settlement delays in the past and such events may have adverse impact on the Net Asset Value of a Fund. In addition, in the event of occurrence of any of the above events, or in the event of SEBI having reasonable ground to believe that the transactions in securities are being dealt with in a manner detrimental to the investors or the securities market, SEBI can impose restrictions on trading in certain securities, limitations on price movements and margin requirements, which could adversely impact the liquidity of a Fund.

- A disproportionately large percentage of market capitalisation and trading value in the Indian stock exchanges is represented by a relatively small number of issuers. There is a lower level of regulation and monitoring of the Indian securities market and the activities of investors, brokers and other participants as compared to certain OECD markets. It may, therefore, be difficult to invest a Fund's assets so as to obtain a representative portfolio or to realise the Fund's investments at the places and times that it would wish to do so.

- Indian capital gains tax apply to Indian securities. Any capital gains tax calculable as a result of portfolio transactions relating to redemptions will be dealt with in accordance with the definition of "Duties and Charges" and may result in an additional spread, which may reduce the net proceeds received for the redemption. Any capital gains tax incurred as a result of portfolio transactions not related to redemptions (e.g. rebalancing) will be borne by the respective Fund.

*Indian Foreign Portfolio Investors Regulations*
In order for a Fund to invest directly in India, it must seek to register as a Category II FPI under the SEBI Regulations or any equivalent applicable regulations at the time.

In January 2014, the SEBI put in place regulations that impact portfolio investments made by FPIs. These include foreign institutional investors, non-resident Indians and other foreign investors. Under the FPI rules, investors cannot transact in securities as FPIs unless they have been granted registration by depository participants acting on behalf of the SEBI. To be eligible for FPI status, applicants must meet certain criteria related to their residence, the status of their securities market regulator, the Financial Action Task Force, and other factors. Once granted, registration is permanent unless suspended by the SEBI or surrendered by the FPI. Any change to the FPI regime generally, including the possibility of a Fund losing its FPI status, may affect such a Fund's ability to invest in securities in India. To the extent that a Fund loses its FPI status or laws and regulations change such that the FPI regime is no longer available to it, it will be more difficult for such a Fund to achieve its investment objective. Accordingly, there is a greater risk of tracking error, which may result in a negative or positive performance impact to such a Fund and holders of its Shares.

*General investment restrictions*
Investment by FPIs is restricted to primary and secondary market securities (including listed or to be listed shares, debentures and warrants of companies), listed and unlisted domestic mutual funds and collective investment schemes, derivatives traded on a recognised stock exchange, treasury bills, government securities, commercial papers, various types of debt instruments and units in debt funds, depositary receipts and other instruments specified by the SEBI. Securities lending is also allowed as per the SEBI Regulations. Further requirements exist in respect of transactions in the secondary market.

There are certain investment conditions and restrictions that an FPI would need to comply with including investment in company shares not exceeding 10% of the company's issued capital per single FPI or investor group. The SEBI may introduce further limitations or restrictions on the foreign ownership of securities in India, which may have adverse effects on the liquidity and the performance of a Fund. Such limitations and restrictions may restrict a Fund's ability to acquire the securities of one or more constituents of its Benchmark Index in accordance with the relevant weightings of the Benchmark Index and therefore may impact on a Fund's ability to closely track the performance of its Benchmark Index.

*Broad based fund regime*
In order to be registered as a Category II FPI, under the SEBI Regulations, a Fund will be required to demonstrate that it is an appropriately regulated broad based fund. The Indian broad based fund regime applies to funds established or incorporated outside India, which are eligible on the basis of the fund or its manager(s) being regulated in their respective foreign jurisdiction. A Fund must satisfy the broad based criteria, which include internal

review and accessibility of information about underlying investors. These types of funds shall have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. No investor shall hold over 49% of the fund by unit/share number or value. Institutional investors who hold over 49% of the fund must themselves comply with requirements applicable to broad based funds. Underlying beneficial owners who hold over 25% of the fund are required to provide their consent to the FPI registration, and to that end have their client information disclosed to the depository participant/SEBI. To the extent that a Fund might have underlying beneficial owners who fall into this category, it may not be possible for such a Fund to fulfil its investment objective if such consent is required and not provided.

*Licensing in India*
In order to invest physically in Indian securities, a Fund is required to be registered as a Category II FPI under the SEBI Regulations. In order to be registered as a Category II FPI, each Fund is required to demonstrate that it satisfies the following broad based criteria: (i) The Fund must have a minimum of 20 investors including, both, direct investors and underlying investors in pooling vehicles. (ii) No investor shall hold over 49% of the Shares or value of the Fund. Institutional investors who hold over 49% of the Shares or value of the Fund must themselves comply with broad based criteria. Underlying beneficial owners who hold over 25% of the Shares or value of the Fund are required to provide their consent to the FPI registration, and to that end have their client information disclosed to the relevant depository participant and Securities and Exchange Board of India. This criteria has been highlighted to investors. To the extent that investors in a Fund do not meet the above criteria or disclosure requirement, the Fund may lose its FPI licence and may no longer be able to invest physically in Indian securities.

***Investments in Russia***
For Funds that invest in or are exposed to investment in Russia, potential investors should also consider the following risk warnings which are specific to investing in or exposure to Russia:

- The United States and the European Union have instituted additional sanctions against certain Russian issuers which include prohibitions on transacting in or dealing in new debt of longer than 30 days maturity or new equity of such issuers. Securities held by a Fund issued prior to the date of the sanctions being imposed are not currently subject to any restrictions under the sanctions. However, compliance with each of these sanctions may impair the ability of a Fund to buy, sell, hold, receive or deliver the affected securities or other securities of such issuers. If it becomes impracticable or unlawful for a Fund to hold securities subject to, or otherwise affected by, sanctions (collectively, "affected securities"), or if deemed appropriate by the Fund's Investment Manager, subscriptions in kind and directed cash subscriptions may not be available for such Fund in respect of the affected securities.

  Also, if an affected security is included in a Fund's Benchmark Index, the Fund may, where practicable and permissible, seek to eliminate its holdings of the affected security by using optimisation techniques to seek to track the investment returns of its Benchmark Index. The use of (or increased use of) optimisation techniques may increase the Fund's tracking error risk. If the affected securities constitute a significant percentage of the Benchmark Index, a Fund may not be able to effectively implement optimisation techniques, which may result in significant tracking error between a Fund's performance and the performance of its Benchmark Index.

  Sanctions may now, or in the future, result in retaliatory measures by Russia, including the immediate freeze of Russian assets held by a Fund. In the event of such a freeze of any Fund's assets, a Fund may not be able to pay out redemption proceeds in respect of the assets which are frozen or may need to liquidate non-restricted assets in order to satisfy redemption orders. The liquidation of a Fund's assets during this time may also result in a Fund receiving substantially lower prices for its securities.

  These sanctions may also lead to changes in a Fund's Benchmark Index. An index provider may remove securities from a Benchmark Index or implement caps on the securities of certain issuers that have been subject to recent economic sanctions. In such an event, it is expected that a Fund will rebalance its portfolio to bring it in line with the relevant Benchmark Index as a result of any such changes, which may result in transaction costs and increased tracking error.

  If any of the events above were to occur, the Directors may (at their discretion) take such action as they consider to be in the interests of investors in Funds which have investment exposure to Russia, including (if necessary) suspending trading in the Funds (see the section entitled "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" for more details) and/or taking such action as described in the section entitled "Benchmark Indices".

- The laws relating to securities investments and regulations in Russia have been created on an ad-hoc basis and do not tend to keep pace with market developments leading to ambiguities in interpretation and inconsistent and arbitrary application. Monitoring and enforcement of applicable regulations is rudimentary.

- Rules regulating corporate governance either do not exist or are underdeveloped and offer little protection to minority shareholders.

- There are also counterparty risks in connection with the maintenance of portfolio securities and cash with local sub-custodians and securities depositories in Russia.

These factors may increase the volatility of any such Fund (depending on its degree of investment in Russia) and hence the risk of loss to the value of your investment.

***Investments in Japan***
Japan is located in a part of the world that has historically been prone to natural disasters, such as earthquakes, volcanoes, and tsunamis, and is economically sensitive to environmental events. In addition, the nuclear power plant catastrophe in March 2011 may have short-term and long-term effects on the nuclear energy industry, the extent of which are currently unknown. As with other countries, Japan may be subject to political and economic risks. Political developments may lead to changes in policy which might adversely affect a Fund's investments. The Japanese economy is heavily dependent on foreign trade and can be adversely affected by trade tariffs and other protectionist measures. In addition, some Japanese reporting, accounting and auditing practices vary from the accounting principles generally accepted in other developed countries. Any of these risks, individually or in the aggregate, could result in a significant adverse impact on the Japanese economy and the securities to which a Fund has exposure and, in turn, result in a loss to your investment.

***Potential Implications of Brexit***
On 31 Jan 2020 the UK formally withdrew and ceased being a member of the EU. The UK and the EU have now entered into a transition period until 31 Dec 2020 ("Transition Period"). During the Transition Period, the UK will be subject to applicable EU laws and regulations.

The negotiation and implementation of the political, economic and legal framework may extend beyond the Transition Period and lead to continued uncertainty and periods of volatility in both the UK and wider European markets throughout the Transition Period and beyond. The terms of the future relationship may cause continued uncertainty in the global financial markets, and adversely affect the performance of the Funds.

Volatility resulting from this uncertainty may mean that the returns of the Funds' investments are adversely affected by market movements, potential decline in the value of Sterling and/or Euro, and any downgrading of UK sovereign credit rating. This may also make it more difficult, or more expensive, for the Funds to execute prudent currency hedging policies.

***Euro and Eurozone Risk***
The deterioration of the sovereign debt of several countries, together with the risk of contagion to other, more stable, countries, exacerbated the global economic crisis. There is a continued possibility that Eurozone countries could be subject to an increase in borrowing costs. This situation as well as the United Kingdom's referendum have raised a number of uncertainties regarding the stability and overall standing of the European Economic and Monetary Union. The departure or risk of departure from the Euro by one or more Eurozone countries could lead to the reintroduction of national currencies in one or more Eurozone countries or, in more extreme circumstances, the possible dissolution of the Euro entirely. These potential developments, or market perceptions concerning these and related issues, could adversely affect the value of a Fund's investments. Investors should carefully consider how any potential changes to the Eurozone and European Union may affect their investment in a Fund.

***Investments in Smaller Companies***
The securities of smaller companies tend to be more volatile and less liquid than the securities of large companies. As securities of smaller companies may experience more market price volatility than securities of larger companies, the Net Asset Value of any Funds which invest in smaller companies may reflect this volatility. Smaller companies, as compared with larger companies, may have a shorter history of operations, may not have as great an ability to raise additional capital, may have a less diversified product line making them susceptible to market pressure and may have a smaller public market for their securities.

Investment in smaller companies may involve relatively higher investment costs, which may be in part due to increased execution costs caused by reduced liquidity in the underlying market, and accordingly investment in Funds which invest in smaller companies should be viewed as a long-term investment. Such Funds may however dispose of an investment made by it within a relatively short period of time, for example, to meet requests for redemption of Shares.

As a result of the above risks, a Fund's investments can be adversely affected and the value of your investments may go up or down.

In addition, owing to threshold limits on the proportion of shares that BlackRock-managed funds may hold in certain companies (in particular in smaller capitalisation companies), it is possible that a Fund may have to rely more heavily on optimisation techniques than would otherwise be the case.

***Financial Sector Investment Risks***
Companies in the financial sector are subject to increasing governmental regulation, government intervention and taxes, which may adversely affect the scope of their activities, the amount of capital they must maintain and their profitability. The financial services sector may also be adversely affected by increases in interest rates and irrecoverable debt, decreases in the availability of funding or asset valuations and adverse conditions in other related markets. The deterioration of the credit markets has caused an adverse impact in the credit and interbank money markets generally, thereby affecting a wide range of financial services institutions and markets. Certain financial services companies have had to accept or borrow significant amounts of money from their governments and thereby face additional government imposed restrictions on their businesses which could have an impact on their performance and value. Insurance companies in particular, may be subject to intense price competition, which may have an adverse impact on their profitability. Companies that invest in real estate may be affected by adverse changes to the conditions of the real estate markets, movements in interest rates, investor confidence, changes in supply and demand for property, costs, availability of mortgage loans, taxes and the impact of environmental and planning laws. The risks faced by companies within the financial sector may have a higher impact on companies that employ substantial financial leverage within their businesses.

***Investments in Property Securities***
Property securities are subject to some of the same risks associated with the direct ownership of property including, but not limited to: adverse changes of the conditions of the real estate markets, obsolescence of properties, changes in availability, costs and terms of mortgage funds and the impact of environmental laws. However, investing in property securities is not equivalent to investing directly in property and the performance of property securities may be more heavily dependent on the general performance of stock markets than the general performance of the property sector.

Historically there had been an inverse relationship between interest rates and property values. Rising interest rates can decrease the value of the properties in which a property company invests and can also increase related borrowing costs. Either of these events can decrease the value of an investment in property companies.

The current taxation regimes for property-invested entities are potentially complex and may change in the future. This may impact either directly or indirectly the returns to investors in a property fund and the taxation treatment thereof. Accordingly, investors should seek independent advice about the specific tax risks of investing in Funds which hold property securities in their Investments.

**Risks specific to Funds that directly invest into listed shares on the Saudi Stock Exchange**

***Saudi QFI Regime General Risks***
The QFI Rules were introduced in 2015. Accordingly, the application and interpretation of such investment regulations are therefore untested and in certain material respects, there remains a lack of clarity and certainty as to how they will be applied by the regulator and/or interpreted by QFIs. It is not possible to predict the future development of the QFI regime. Any change in the QFI regime generally, including the possibility of the Investment Manager losing its QFI status, may affect the relevant Fund's ability to invest in shares listed on the Saudi Stock Exchange through the Investment Manager.

***QFI Regime Foreign Ownership Limits***
The relevant Fund's investment in Saudi shares is dependent on the Investment Manager being able to buy and sell shares listed on the Saudi Stock Exchange. The ability of the Investment Manager to trade in Saudi listed shares is dependent on none of the prescribed foreign ownership limits being exceeded. The QFI Rules and Saudi Capital Markets Law prescribe certain foreign investment ownership limits on QFIs (e.g. a Fund) and their affiliates, which take the form of various maximum ownership thresholds. For example, one of the key threshold limits is an aggregate total cap (at 49%) on foreign ownership of Saudi listed shares, which applies not just to QFIs, but all other categories of foreign investors as well (e.g. foreigners resident in Saudi Arabia; investors holding interests in Saudi listed shares via swap contracts or participation notes; and non-resident foreign shareholders who owned stakes in companies prior to their listings). The Saudi Stock Exchange provides ongoing information relating to these thresholds on their website (http://www.tadawul.com.sa) in order to assist QFIs and other market participants in complying with such limits. The Investment Manager has the flexibility to invest in Saudi listed shares on behalf of more than one QFI. Therefore, it may invest in shares on behalf of multiple funds under its management which are QFIs from time to time, all of which would count towards the foreign ownership thresholds.

In the event that a relevant foreign ownership limit is reached or exceeded, it could result in the relevant Fund not being able to acquire additional KSA listed shares. Moreover, as approved QFIs are not permitted under the current QFI Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying FDI (e.g. swaps or participation notes) traded through the Saudi swap framework, it will not be possible, in such circumstances, for the relevant Fund as a QFI to take indirect/synthetic exposure (e.g. via swaps or participation notes) to Saudi listed shares in addition to its physical/direct holdings. This may ultimately result in (i) the relevant Fund not being able to accept any further subscriptions for Shares and its Shares trading at a significant premium or discount to their net asset value on a stock exchange on which they are admitted to trading; and (ii) a negative or positive performance impact to the relevant Fund and, by extension, its Shareholders, as compared to the Benchmark Index.

The ability of the Investment Manager to trade in Saudi listed shares is also dependent on the ability of the Investment Manager and relevant Fund to maintain its QFI status. Certain approved QFIs may apply, via a third party assessing authorised person (mandated as such by the CMA pursuant to the QFI Rules), to the CMA for approval as a QFI. Only once an investment fund is approved by the CMA as a QFI under the QFI Rules can it, via its investment manager, invest in Saudi listed shares on the Saudi Stock Exchange. To the extent that the Investment Manager and/or the relevant Fund loses its QFI status or laws and regulations change such that the QFI regime is no longer available to the Investment Manager and/or the relevant Fund, it will be more difficult for the relevant Fund to achieve its investment objective. In such an event, the relevant Fund may use techniques to invest in securities or other instruments that are not constituents of the Benchmark Index, but which provide a similar exposure to the return of the Benchmark Index. These instruments may include offshore futures, other exchange-traded funds that would provide a similar exposure or unfunded swap agreements, which are agreements whereby a counterparty agrees to provide the relevant Fund with the returns of a specific exposure, i.e. the Benchmark Index, in return for a fee. Accordingly, there is a greater risk of tracking error, which may result in a negative or positive performance impact to the relevant Fund and its Shareholders.

The CMA may introduce further limitations or restrictions on the foreign ownership of securities in the KSA, which may have adverse effects on the liquidity and the performance of the relevant Fund. Such limitations and restrictions may restrict the relevant Fund's ability to acquire the shares of one or more constituents of its Benchmark Index in accordance with the relevant weightings of the Benchmark Index and therefore may impact on the relevant Fund's ability to closely track the performance of the Benchmark Index.

***Investment in Saudi Arabia***
The KSA is currently an emerging market economy. Accordingly, it differs from the economies of most developed countries and investing in the KSA may be subject to greater risk of loss than investments in developed markets due to, among other factors, political and economic instability and greater limitations on foreign investment than those found in a developed market. Also, the KSA legal system is based on Shari'ah law and, accordingly, issuers of the securities in which the relevant Fund invests may be held to different disclosure, corporate governance, accounting and reporting standards than those in developed markets with different legal systems. For example, listed companies are required to adhere to the Saudi Corporate Governance Regulations 2018 ("CGR") on a mandatory basis with several "for guiding" provisions, but compliance with the CGR among issuers may not be universal. Any political changes, social instability and adverse diplomatic developments which may take place in or in relation to the KSA could result in economic sanctions (e.g. trade embargoes against a particular issuer or the KSA generally), the imposition of additional governmental restrictions, expropriation of assets, confiscatory taxes (e.g. increased excise duties for products that have an increased perceived risk of socio-economic harm to the KSA) or nationalisation of some or all of the constituents of the Benchmark Index. Investors should also note that any change in the policies of the government and relevant authorities of the KSA may adversely impact the securities markets in the KSA as well as the performance of the relevant Fund, compared to the Benchmark Index.

***Legal System of the KSA***
The KSA legal system is based on Shari'ah law. Prior court decisions may be cited for reference but do not have precedent value. Because of the lack of volume of published cases and judicial interpretation and the fact that, in any event, the outcome of previously determined cases would not be binding in nature, the interpretation and enforcement of applicable Saudi laws and regulations involves significant uncertainties. In addition, as the KSA legal system, and the QFI regime in particular, develops, no assurance can be given that changes in such laws and regulations, their interpretation or their enforcement will not have a material adverse effect on the relevant Fund's operations or the ability of the relevant Fund to acquire Saudi listed shares.

***Potential Market Volatility Risk***
Investors should note that the Saudi Stock Exchange is admitting foreign investors, pursuant to the regime established by the QFI Rules, for the first time. Market volatility may result in significant fluctuation in the prices of securities traded on the Saudi Stock Exchange, which would therefore impact upon the Net Asset Value of the relevant Fund.

***Settlement and Associated Risks***
Each Authorised Participant submitting an application to subscribe for shares in the relevant Fund is required to comply with the KSA T+2 Cash Settlement Requirement to cover the purchase by the relevant Fund of underlying KSA securities in connection with the subscription order, for the Authorised Participant's subscription application to be valid. Accordingly, each Authorised Participant requesting a subscription of shares in the relevant Fund is required to deliver a subscription amount (the "T+2 Cash Settlement Requirement Cash Amount") to cover the purchase by the Fund of underlying KSA securities in connection with its subscription request, for the Authorised Participant's subscription request to be a valid application. The T+2 Cash Settlement Requirement Cash Amount is transferred into the local KSA sub-custody account with the KSA Sub-custodian which is set up by the KSA Sub-custodian for the use and benefit of the relevant Fund. Therefore, two business days after such time as the Shares in the relevant Fund that are being subscribed for are in the possession of the Authorised Participant, there is a risk that the KSA Sub-custodian may suffer an economic or operating event causing a loss of the T+2 Cash Settlement Requirement Cash Amount which would have a negative impact on the value of the relevant Fund or delay in delivery of the securities that the T+2 Cash Settlement Requirement Cash Amount was intended for which may temporarily affect tracking error. Therefore, any trades executed erroneously by the broker must be corrected through additional trading. This may temporarily affect tracking error and incur additional costs on the relevant Fund which may not be immediately recoverable from the broker.

Where any T+2 Cash Settlement Requirement Cash Amount paid by an Authorised Participant is subsequently determined to have been in excess of the final subscription price (including final Duties and Charges) for the relevant Shares on the Dealing Day by reference to which the subscription was effected, the excess cash amount will be held in custody on a temporary basis and will be reimbursed to the relevant Authorised Participant as soon as practicable, net of any foreign exchange transaction cost associated with converting (if applicable) such amount from SAR to USD (and to any other relevant currency) and repatriating such cash so that it can be paid to the Authorised Participant. The relevant Authorised Participant shall remain an unsecured creditor of the relevant Fund in respect of the amount to be reimbursed ("Reimbursement Amount") until such time as the amount is paid to it. The Reimbursement Amount will remain subject to the risk factors described in this Prospectus for the duration of the period during which it remains in the KSA.

In the event that the T+2 Cash Settlement Requirement Cash Amount is insufficient to purchase all the underlying securities in connection with the subscription, the relevant Fund may not be able to acquire all the requisite underlying securities during the initial purchase and will need to carry out one or more further purchases on subsequent day(s) or rely on borrowing cash from the relevant custodian. Similarly, if restrictions under KSA laws, regulations and/or stock exchange rules, or the suspension of trading of particular KSA securities, or a delay in the remittance of SAR to the KSA restrict the relevant Fund from acquiring all the requisite underlying securities during the initial purchase (see sections above titled "QFI Regime Foreign Ownership Limits" for circumstances in which such restrictions may be triggered), the relevant Fund will also need to carry out one or more further purchases on subsequent day(s). The market risk arising from the timing of the placement of further underlying trades and any delay in trading will be borne by the Authorised Participant. In the event of any funding shortfall, the Authorised Participant would be required to deliver, in accordance with the relevant Fund's stated timeline and procedure (available from the Administrator and / or on the Electronic Order Entry Facility, as defined in the section entitled

"Procedure for dealing on the primary market"), additional sums to make up any funding shortfall to enable further purchases to be made until all the requisite underlying KSA securities have been acquired for the relevant Fund. In order to reduce the risk of an Authorised Participant having to pay a funding shortfall and to protect the relevant Fund and its Shareholders, a buffer to cover expected market and foreign exchange volatility will be added to estimated Duties and Charges in the T+2 Cash Settlement Requirement Cash Amount and any additional sums payable by the Authorised Participant to cover a funding shortfall. In circumstances where additional sums are payable by an Authorised Participant to cover a funding shortfall after the Authorised Participant has received Shares subscribed in the relevant Fund, the relevant Fund will have a credit exposure as an unsecured creditor in respect of such additional sums.

The foreign exchange transaction costs associated with conversions made in relation to subscriptions and redemptions and the risk of a potential difference between the USD and SAR (and any other relevant currency in which subscriptions and redemptions are accepted from time to time) will be borne by the relevant Authorised Participant and included in the final Duties and Charges which are applied to the relevant subscription or redemption amounts paid or received (respectively) by such Authorised Participant. Authorised Participants should note that no interest will accrue on the relevant Reimbursement Amount and interest shall therefore not be payable by the relevant Fund to the relevant Authorised Participant in respect of any such amount.

***Index Tracking Risk - QFI Regime***
The relevant Fund's return may deviate from the return of the Benchmark Index for various reasons, for example, the revocation of the Investment Manager's QFI status, the inability of the Investment Manager to trade in one or more Saudi listed issuer due to a foreign ownership threshold having been reached or exceeded, the allocation of investment in Saudi listed shares by the Investment Manager to other funds under its management, the investment limitations imposed by KSA laws and regulations, temporary or permanent suspension of particular securities imposed from time to time by the stock exchange in the KSA, the liquidity of the underlying market, taxation implications, regulatory changes in the KSA that may affect the Investment Manager's ability to reflect the return of the Benchmark Index and any foreign exchange costs.

***Electronic Trading Platform Risk - Tadawul***
KSA brokers submit trade orders through an electronic system which is linked and received by Tadawul's system. The use of electronic systems by the broker or Tadawul is subject to software, hardware, or communication failure which may cause halts or delays in acquiring the intended securities for the relevant Fund.

***Trading Prohibition***
If there is an unexecuted purchase or sell trade in respect of any KSA security then an opposing trade via the same custodial account for the same KSA security will be rejected in the market (the "KSA Trading Prohibition"). Therefore, any trading activity that triggers the KSA Trading Prohibition may cause a delay in trading. This may impact the relevant Fund's ability to rebalance and cause an increase of its tracking error.

***Commodity Risk***
The relevant Fund may invest in Saudi Arabian issuers that are susceptible to fluctuations in certain commodity markets. Any negative changes in commodity markets that may be due to changes in supply and demand for commodities, market events, regulatory developments or other factors that the Fund cannot control could have an adverse impact on those companies.

***Nationalisation Risk***
Investments in Saudi Arabia may be subject to loss due to expropriation or nationalisation of assets and property or the imposition of restrictions on foreign investments and repatriation of capital.

**Risk of Investing in the China Interbank Bond Market**

The Funds may invest in the China Interbank Bond Market via the Foreign Access Regime and/or the Bond Connect.

*Investment in China Interbank Bond Market via Foreign Access Regime*

Pursuant to the "Announcement (2016) No 3" issued by the PBOC on 24 February 2016, foreign institutional investors can invest in the China Interbank Bond Market ("**Foreign Access Regime**") subject to other rules and regulations as promulgated by the PRC authorities.

Under the prevailing regulations in the PRC, foreign institutional investors who wish to invest directly in the China Interbank Bond Market may do so via an onshore settlement agent, who will be responsible for making the relevant filings and account opening with the relevant authorities. There is no quota limitation.

*Investment in the China Interbank Bond Market via Northbound Trading Link under Bond Connect*

Bond Connect is a new initiative launched in July 2017 for mutual bond market access between Hong Kong and the PRC established by CFETS, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and HKEX and Central Moneymarkets Unit.

Under the prevailing regulations in the PRC, eligible foreign investors will be allowed to invest in the bonds circulated in the China Interbank Bond Market through the northbound trading of Bond Connect ("**Northbound Trading Link**"). There will be no investment quota for Northbound Trading Link.

Under the Northbound Trading Link, eligible foreign investors are required to appoint the CFETS or other institutions recognised by the PBOC as registration agents to apply for registration with the PBOC.

The Northbound Trading Link refers to the trading platform that is located outside of the PRC and is connected to CFETS for eligible foreign investors to submit their trade requests for bonds circulated in the China Interbank Bond Market through Bond Connect. HKEX and CFETS will work together with offshore electronic bond trading platforms to provide electronic trading services and platforms to allow direct trading between eligible foreign investors and approved onshore dealer(s) in the PRC through CFETS.

Eligible foreign investors may submit trade requests for bonds circulated in the China Interbank Bond Market through the Northbound Trading Link provided by offshore electronic bond trading platforms (such as Tradeweb and Bloomberg), which will in turn transmit their requests for quotation to CFETS. CFETS will send the requests for quotation to a number of approved onshore dealer(s) (including market makers and others engaged in the market making business) in the PRC. The approved onshore dealer(s) will respond to the requests for quotation via CFETS and CFETS will send their responses to those eligible foreign investors through the same offshore electronic bond trading platforms. Once the eligible foreign investor accepts the quotation, the trade is concluded on CFETS.

On the other hand, the settlement and custody of bond securities traded in the China Interbank Bond Market under Bond Connect will be done through the settlement and custody link between the Central Moneymarkets Unit, as an offshore custody agent, and the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House, as onshore custodian and clearing institutions in the PRC. Under the settlement link, China Central Depository & Clearing Co., Ltd or Shanghai Clearing House will effect gross settlement of confirmed trades onshore and the Central Moneymarkets Unit will process bond settlement instructions from Central Moneymarkets Unit members on behalf of eligible foreign investors in accordance with its relevant rules. Since the introduction in August 2018 of delivery versus payment (DVP) settlement in respect of Bond Connect, the movement of cash and securities is carried out simultaneously on a real time basis.

Pursuant to the prevailing regulations in the PRC, the Central Moneymarkets Unit, being the offshore custody agent recognised by the Hong Kong Monetary Authority open omnibus nominee accounts with the onshore custody agent recognised by the PBOC (i.e., the China Central Depository & Clearing Co., Ltd and Shanghai Clearing House). All bonds traded by eligible foreign investors will be registered in the name of Central Moneymarkets Unit, which will hold such bonds as a nominee owner. Therefore, a Fund will be exposed to custody risks with respect to Central Moneymarkets Unit. In addition, as the relevant filings, registration with the People's Bank of China, and account opening have to be carried out by third parties, including Central Moneymarkets Unit, China Central Depository & Clearing Co., Ltd, Shanghai Clearing House, and CFETS, a Fund is subject to the risks of default or errors on the part of such third parties.

The precise nature and rights of a Fund as the beneficial owner of the bonds traded in the China Interbank Bond Market through Central Moneymarkets Unit as nominee is not well-defined under PRC law. There is a lack of a clear definition of, and distinction between, legal ownership and beneficial ownership under PRC law and there have been few cases involving a nominee account structure in the PRC courts. The exact nature and methods of enforcement of the rights and interests of a Fund under PRC law are also uncertain.

***Volatility and Liquidity Risk***
Market volatility and potential lack of liquidity due to low trading volume of certain bonds in the China Interbank Bond Market may result in prices of certain bonds traded on such market fluctuating significantly. A Fund investing in such market is therefore subject to liquidity and volatility risks. The bid-ask spreads of the prices of such securities may be large, and a Fund may therefore incur significant costs and may suffer losses when selling such investments. The bonds traded in the China Interbank Bond Market may be difficult or impossible to sell, which may impact a Fund's ability to acquire or dispose of such securities at their expected prices.

***Regulatory Risks***
Investing in the China Interbank Bond Market through Bond Connect is also subject to regulatory risks. The relevant rules and regulations are subject to change, which may have potential retrospective effect, and there can be no assurance that Bond Connect will not be discontinued or abolished. Furthermore, the securities regimes and legal systems of China and Hong Kong differ significantly and issues may arise based on these differences. In the event that the relevant authorities suspend account opening or trading on the China Interbank Bond Market, a Fund's ability to invest in the China Interbank Bond Market will be adversely affected and limited. In such event, a Fund's ability to achieve its investment objective will be negatively affected and, after exhausting other trading alternatives, the Fund may suffer substantial losses as a result. Further, if Bond Connect is not operating, a Fund may not be able to acquire or dispose of bonds through Bond Connect in a timely manner, which could adversely affect the Fund's performance.

***System Failure Risks for Bond Connect***
Trading through Bond Connect is performed through newly developed trading platforms and operational systems. There is no assurance that such systems will function properly or will continue to be adapted to changes and developments in the market. In the event that the relevant systems fails to function properly, trading through Bond Connect may be disrupted. A Fund's ability to trade through Bond Connect (and hence to pursue its investment strategy) may therefore be adversely affected. In addition, where a Fund invests in the China Interbank Bond Market through Bond Connect, it may be subject to risks of delays inherent in the order placing and/or settlement systems.

***Renminbi Currency Risks***
Bond Connect trades are settled in Chinese currency, the renminbi ("RMB"), which is currently restricted and not freely convertible. As a result, a Fund will be exposed to currency risk, and it cannot be guaranteed that investors will have timely access to a reliable supply of RMB.

***Tax Risk***
Under prevailing tax regulations, a 10% withholding tax is imposed on PRC-sourced dividends and interest from non-government bonds paid to the relevant Fund unless the rate is reduced under an applicable tax treaty.

From 1 May 2016, Value Added Tax (VAT) is levied on certain income derived by the relevant Fund, including interest income from non-government bonds and trading gains, unless specifically exempted by the PRC tax authorities. VAT exemptions currently apply to debt securities traded in the China Interbank Bond Market.

On 22 November 2018, the PRC's Ministry of Finance and State Administration of Taxation jointly issued Circular 108 providing foreign institutional investors with a temporary exemption from withholding income tax and VAT with respect to interest income derived from non-government bonds in the domestic bond market for the period from 7 November 2018 to 6 November 2021. Circular 108 is silent on the PRC tax treatment with respect to non-government bond interest derived prior to 7 November 2018.

There is a risk the PRC tax authorities may withdraw the temporary tax exemptions in the future and seek to collect withholding income tax and VAT on interest income from non-government bonds to the relevant Fund without prior notice. If the tax exemptions are withdrawn, any taxes arising from or to the relevant Fund may be directly borne by or indirectly passed on to the Fund and may result in a substantial impact to its Net Asset Value. As with any Net Asset Value adjustment, investors may be advantaged or disadvantaged depending on when the investors purchased or sold Shares of the Fund.

Any changes in PRC tax law, future clarifications thereof, and/or subsequent retroactive enforcement by the PRC tax authorities may result in a loss which could be material to the relevant Fund. The Investment Manager will keep the provisioning policy for tax liability under review and may, in its discretion from time to time, make a provision for potential tax liabilities if in its opinion such provision is warranted or as further publicly clarified by the PRC.

**Risks related to Investment in the PRC via the Stock Connect**

In addition to the risk factors under the heading "**Investment in the PRC**" and other applicable risk factors, the following risk factors apply to the Stock Connect Funds:

***Stock Connect***

Funds investing in the PRC may invest in China A Shares trading on the SSE and SZSE via Stock Connect ("Northbound Trading"). The Shanghai-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, SSE and ChinaClear and the Shenzhen-Hong Kong Stock Connect is a securities trading and clearing links program developed by HKEX, SZSE and ChinaClear. The aim of Stock Connect is to achieve mutual stock market access between the PRC and Hong Kong.

HKSCC, a wholly-owned subsidiary of HKEX, and ChinaClear will be responsible for the clearing, settlement and the provision of depository, nominee and other related services of the trades executed by their respective market participants and investors. The China A Shares traded through Stock Connect are issued in scripless form, and investors will not hold any physical China A Shares.

Although HKSCC does not claim proprietary interests in the SSE and SZSE securities held in its omnibus stock accounts in ChinaClear, ChinaClear as the share registrar for SSE and SZSE listed companies will still treat HKSCC as one of the shareholders when it handles corporate actions in respect of such SSE and SZSE securities.

Under the Stock Connect, Hong Kong and overseas investors will be subject to the fees and levies imposed by SSE, SZSE, ChinaClear, HKSCC or the relevant Mainland Chinese authority when they trade and settle SSE securities and SZSE securities. Further information about the trading fees and levies is available online at the website: http://www.hkex.com.hk/eng/market/sec_tradinfra/chinaconnect/chinaconnect.htm.

Investing in China A Shares via Stock Connect bypasses the requirement to obtain RQFII status which is required for direct access to the SSE and SZSE.

***Quota Limitations***

Investing in the PRC via Stock Connect is subject to quota limitations which apply to the Investment Manager. In particular, once the remaining balance of the relevant quota drops to zero or the daily quota is exceeded, buy orders will be rejected (although investors will be permitted to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the relevant Stock Connect Fund's ability to invest in China A Shares through the Stock Connect on a timely basis, and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

***Legal / Beneficial Ownership***

The China A Shares invested in via the Stock Connect will be held by the Depositary/sub-custodian in accounts in

the CCASS maintained by the HKSCC as central securities depositary in Hong Kong. HKSCC in turn holds the China A Shares, as the nominee holder, through an omnibus securities account in its name registered with ChinaClear for each of the Stock Connect Funds. The precise nature and rights of the Stock Connect Funds as the beneficial owners of the China A Shares through HKSCC as nominee is not well defined under PRC law. There is lack of a clear definition of, and distinction between, "legal ownership" and "beneficial ownership" under PRC law and there have been few cases involving a nominee account structure in the PRC courts. Therefore the exact nature and methods of enforcement of the rights and interests of the Stock Connect Funds under PRC law is uncertain. Because of this uncertainty, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong it is not clear if the China A Shares will be regarded as held for the beneficial ownership of the Stock Connect Funds or as part of the general assets of HKSCC available for general distribution to its creditors.

For completeness, the CSRC has provided information titled "*FAQ on Beneficial Ownership under SH-HK Stock Connect*" dated 15 May 2015 in relation to beneficial ownership (the "FAQ"). The relevant sections from the FAQ have been extracted and reproduced below:

> ***Do overseas investors enjoy proprietary rights in the SSE Securities acquired through the Northbound Trading Link as shareholders? Are the concepts of "nominee holder" and "beneficial owner" recognized under Mainland China law?***
>
> *Article 18 of the Administrative Measures for Registration and Settlement of Securities (the "Settlement Measures") states that "securities shall be recorded in the accounts of the securities holders, unless laws, administrative regulations or CSRC rules prescribe that the securities shall be recorded in accounts opened in the name of nominee holders". Hence, the Settlement Measures expressly provides for the concept of nominee shareholding. Article 13 of the Certain Provisions on Shanghai-Hong Kong Stock Connect Pilot Program (the "CSRC Stock Connect Rules") states that shares acquired by investors through the Northbound Trading Link shall be registered in the name of HKSCC and that "investors are legally entitled to the rights and benefits of shares acquired through the Northbound Trading Link". Accordingly, the CSRC Stock Connect Rules have expressly stipulated that, in Northbound trading, overseas investors shall hold SSE Securities through HKSCC and are entitled to proprietary interests in such securities as shareholders.*
>
> ***How do overseas investors bring legal action in the Mainland China to realise their rights over the SSE Securities acquired through the Northbound Trading Link?***
>
> *Mainland China law does not expressly provide for a beneficial owner under the nominee holding structure to bring legal proceedings, nor does it prohibit a beneficial owner from doing so. As we understand, HKSCC, as the nominee holder of the SSE Securities in Northbound Trading Link, may exercise shareholder rights and take legal actions on behalf of overseas investors. In addition, Article 119 of the Civil Procedure Law of the People's Republic of China states that "the claimant in a legal action shall be an individual, legal person or any other organization that has a direct interest in the relevant case". As long as an overseas investor can provide evidential proof of direct interest as a beneficial owner, the investor may take legal actions in its own name in Mainland China courts.*

***Clearing and Settlement Risk***

HKSCC and ChinaClear have established the clearing links and each has become a participant of each other to facilitate clearing and settlement of cross-boundary trades. For cross-boundary trades initiated in a market, the clearing house of that market will on one hand clear and settle with its own clearing participants, and on the other hand undertake to fulfil the clearing and settlement obligations of its clearing participants with the counterparty clearing house.

As the national central counterparty of the PRC's securities market, ChinaClear operates a comprehensive network of clearing, settlement and stock holding infrastructure. ChinaClear has established a risk management framework and measures that are approved and supervised by the CSRC. The chances of ChinaClear default are considered to be remote. In the remote event of a ChinaClear default, HKSCC's liabilities in respect of China A-Shares under its market contracts with clearing participants will be limited to assisting clearing participants in pursuing their claims against ChinaClear. HKSCC should in good faith, seek recovery of the outstanding stocks and monies from ChinaClear through available legal channels or through ChinaClear's liquidation. In that event, the relevant Stock Connect Fund may suffer delay in the recovery process or may not fully recover its losses from ChinaClear.

***Suspension Risk***

It is contemplated that the SEHK, SSE and SZSE reserves the right to suspend trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator will be sought before a suspension is triggered. Where a suspension is effected, the relevant Stock Connect Fund's ability to access the PRC market will be adversely affected.

***Differences in Trading Day***

The Stock Connect only operates on days when both the PRC and Hong Kong markets are open for trading and when banks in both markets are open on the corresponding settlement days. Therefore, it is possible that there are occasions when it is a normal trading day for the PRC market but the Stock Connect Funds cannot carry out any China A Shares trading via the Stock Connect. The Stock Connect Funds may be subject to a risk of price fluctuations in China A Shares during the time when any of the Stock Connect is not trading as a result.

***Restrictions on Selling Imposed by Front-end Monitoring***

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise the SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A Share sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling.

If a Stock Connect Fund intends to sell certain China A Shares it holds, it must transfer those China A Shares to the respective accounts of its broker(s) before the market opens on the day of selling ("trading day"). If it fails to meet this deadline, it will not be able to sell those shares on the trading day. A Stock Connect Fund may request its custodian to open a Special Segregated Account ("SPSA") in CCASS to maintain its holdings in SSE and SZSE securities, in which case it will only need to transfer SSE or SZSE securities from its SPSA to its designated broker's account after execution and not before placing the sell order.

To the extent a Stock Connect Fund is unable to utilize the SPSA model, it would have to deliver SSE or SZSE securities to its brokers before the market opens on the trading day. Accordingly, if there are insufficient China A Shares in the Stock Connect Fund's account before the market opens on the trading day, the sell order will be rejected, which may adversely impact the Stock Connect Fund's performance.

***Operational Risk***

The Stock Connect is premised on the functioning of the operational systems of the relevant market participants. Market participants are permitted to participate in this program subject to meeting certain information technology capability, risk management and other requirements as may be specified by the relevant exchange and/or clearing house.

The securities regimes and legal systems of the two markets differ significantly and market participants may need to address issues arising from the differences on an on-going basis. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems fail to function properly, trading in both markets through the program could be disrupted. The relevant Stock Connect Fund's ability to access the China A Share market (and hence to pursue its investment strategy) may be adversely affected.

***Regulatory Risk***

The current regulations that govern Stock Connect are subject to change and there can be no assurance that the Stock Connect will not be abolished. New regulations may be issued from time to time by the regulators / stock exchanges in the PRC and Hong Kong in connection with operations, legal enforcement and cross-border trades under the Stock Connect. Stock Connect Funds may be adversely affected as a result of such changes.

***Recalling of Eligible Stocks***

When a stock is recalled from the scope of eligible stocks for trading via the Stock Connect, the stock can only be sold but is restricted from being bought. This may restrict the ability of the relevant Stock Connect Fund to acquire the shares of one or more constituents of its Benchmark Index and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

***No Protection by Investor Compensation Fund***

Investment in China A Shares via the Stock Connect is conducted through brokers, and is subject to the risk of default by such brokers in their obligations. Investments of Stock Connect Funds are not covered by Hong Kong's investor compensation fund, which has been established to pay compensation to investors of any nationality who suffer pecuniary losses as a result of default of a licensed intermediary or authorised financial institution in relation to exchange-traded products in Hong Kong. Since default matters in respect of China A Shares invested in via the Stock Connect do not involve products listed or traded on the SEHK or Hong Kong Futures Exchange Limited, they will not be covered by the investor compensation fund. Therefore the Stock Connect Funds are exposed to the risks of default of the broker(s) it engages in its trading in China A Shares through the Stock Connect.

***Taxation Risks***

The PRC tax authorities have also made announcements that gains derived from China A Shares' investments via the Stock Connect would be temporarily exempted from PRC taxation effective from 17 November 2014. This temporary exemption applies to China A Shares generally, including shares in PRC 'land-rich' companies. The duration of the period of temporary exemption has not been stated and may be subject to termination by the PRC tax authorities with or without notice and, in the worst case, retrospectively. If the temporary exemption is withdrawn the relevant Stock Connect Funds would be subject to PRC taxation in respect of gains on China A Shares and the resultant tax liability would eventually be borne by investors. However, this liability may be mitigated

under the terms of an applicable tax treaty, and if so, such benefits will also be passed to investors.

***Settlement Mode under the SPSA model***

Under the normal Delivery Versus Payment (DVP) settlement mode, stock and cash settlement will take place on T+0 between clearing participants (i.e. brokers and custodian or a custodian participant) with a maximum window of 4 four hours between stocks and cash movement. This applies to settlement in CNH (offshore Renminbi) only and on the condition that the brokers support same-day Chinese Renminbi cash finality. Under the Real time Delivery Versus Payment (RDVP) settlement mode introduced in November 2017, stock and cash movement will take place real time, however, the use of RDVP is not mandatory. The clearing participants must agree to settle the transaction using RDVP and indicate RDVP on the settlement instruction in a specific field. If either of the clearing participants are unable to settle the trades using RDVP, there is a risk that the trades could fail and therefore may impact on the ability of the relevant Stock Connect Fund to track closely the performance of its Benchmark Index.

**Risks related to investment in Equity Funds**

***Equity Securities***
The value of equity securities fluctuates daily and a Fund investing in equities could incur significant losses. The prices of equities can be influenced by factors affecting the performance of the individual companies issuing the equities, as well as by daily stock market movements, and broader economic and political developments, including trends in economic growth, inflation and interest rates, corporate earnings reports, demographic trends and natural disasters.

***Depository Receipts***
ADRs and GDRs are designed to offer exposure to their underlying securities.

In certain situations, the Investment Manager may use ADRs and GDRs to provide exposure to underlying securities within the Benchmark Index, for example where the underlying securities cannot be, or are unsuitable to be, held directly, where direct access to the underlying securities is restricted or limited or where depository receipts provide a more cost or tax efficient exposure. However, in such cases the Investment Manager is unable to guarantee that a similar outcome will be achieved to that if it were possible to hold the securities directly, due to the fact ADRs and GDRs do not always perform in line with the underlying security.

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk that the value of the ADR or GDR will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Investment Manager cannot, or it is not appropriate to, invest in an ADR or GDR, or the characteristics of the ADR or GDR do not exactly reflect the underlying security.

In the event that a Fund invests in ADRs or GDRs in the circumstances set out above, the Fund's tracking of the Benchmark Index may be impacted, i.e. there is a risk that the Fund's return varies from the return of the Benchmark Index.

***High Dividend Paying Stocks***
While the Benchmark Index rules for the high dividend paying Funds are designed to select high dividend paying stocks, dividend payment streams can vary from year to year and past dividend payments are no guide for future dividend payments.

High dividend paying stocks include small-capitalisation and mid-capitalisation companies, which might be less financially secure than large-capitalisation companies. Additionally these companies depend more heavily on essential personnel and thus are more vulnerable to personnel loss. Small-capitalisation and mid-capitalisation companies might have less diversified product lines than large-capitalisation companies and thus are more susceptible to adverse development concerning their products. Small-capitalisation and mid-capitalisation companies may also be less frequently traded and thus may be difficult for a Fund to buy and sell.

**Risks related to investment in Fixed Income Funds**

***Government Bonds***
A Fund may invest in government bonds which pay a fixed rate of interest (also known as the 'coupon') and behave similarly to a loan. These bonds are therefore exposed to changes in interest rates which will affect their value. In addition, periods of low inflation will mean the positive growth of a government bond fund may be limited.

Investments in government bonds may be subject to liquidity constraints and periods of significantly lower liquidity in difficult market conditions. Therefore it may be more difficult to achieve a fair value on purchase and sale transactions which may cause the Manager not to proceed with such transactions. As a result, changes in the value of a Fund's investments may be unpredictable.

***Sovereign, Quasi-sovereign and Local Authority Debt***
Sovereign debt includes securities issued by or guaranteed by a sovereign government. Quasi-sovereign debt includes securities issued by or guaranteed by or sponsored by an entity affiliated with or backed by a sovereign government. In some instances, the constituents of a Benchmark Index may include local authority debt securities issued by or guaranteed by or sponsored by an entity which is either a local authority or affiliated with or backed by a local authority entity. The entity that controls the repayment of sovereign, quasi-sovereign or local authority debt may not be able or willing to repay the principal and/or interest when due in accordance with the terms of

such debt. The entity's ability to repay the principal and/or interest due in a timely manner may be affected by, among other factors, its cash flow, the extent of its foreign reserves (where relevant), the availability of sufficient foreign exchange on the date a payment is due, the state of its country's economy, the relative size of the debt service burden to the economy as a whole, restrictions on its ability to raise more cash, the entity's policy towards the International Monetary Fund and the political constraints to which the entity may be subject. Such entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on such entities' implementation of economic reforms and/or economic performance and the timely service of such debtors' obligations. Failure to implement such reforms, achieve such levels of economic performance or repay the principal and/or interest when due may result in the cancellation of such third parties' commitments to lend funds to the entities, which may further impair such debtors' ability to service their debt on a timely basis. Consequently, such entities may default on their sovereign, quasi-sovereign or local authority debt. Holders of sovereign, quasi-sovereign or local authority debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to such entities. Quasi-sovereign and local authority debt obligations are typically less liquid and less standardised than sovereign debt obligations. There is a possibility that there may not be a bankruptcy proceeding by which this debt may be collected in whole or in part. Banks, Governments and companies (including within the EEA) invest in each other so if one member state performs poorly, the other countries could be impacted. If one country defaults on its debt obligations, other countries could be at risk.

***Corporate Bonds***
A corporate bond Fund may invest in corporate bonds issued by companies within a range of credit worthiness if the relevant Fund's Benchmark Index does not apply any minimum credit rating requirement to its constituents.

Corporate bonds may be upgraded or downgraded from time to time due to a perceived increase or reduction in the credit worthiness of the companies issuing the bonds.

Where the Benchmark Index of a Fund imposes specific credit rating requirements for bonds to be included in the Benchmark Index (e.g. investment grade bonds or non-/sub-investment grade bonds) and bonds that make up the Benchmark Index are downgraded, upgraded or have their credit ratings withdrawn by the relevant credit rating agencies such that they no longer meet the credit rating requirements of the Benchmark Index, the Fund may continue to hold the relevant bonds until such time as these bonds cease to form part of the Fund's Benchmark Index and the Fund's position in such bonds can be liquidated. Sub-investment grade bonds are generally riskier investments, involving a higher risk of default by the issuer, than investment grade bonds. A default by the issuer of a bond is likely to result in a reduction in the value of that Fund.

Although a Fund may invest in bonds that are traded on the secondary market, the secondary market for corporate bonds can often be illiquid and therefore it may be difficult to achieve fair value on purchase and sale transactions.

Cash interest rates vary over time. The price of bonds will generally be affected by changing interest rates and credit spread which in turn may affect the value of your investment. Bond prices move inversely to interest rates, so generally speaking the market value of a bond will decrease as interest rates increase. The credit rating of an issuing company will generally affect the yield that can be earned on a bond; the better the credit rating the smaller the yield.

***Covered Bonds***
Covered bonds are corporate bonds that are backed by cash from public sector or mortgage loans. Where a Fund invests in covered bonds, the Investment Manager will seek to invest in high quality bonds or as otherwise required in accordance with the relevant benchmark index. There is, however, no guarantee that such covered bonds will be free from counterparty default and the risks associated with counterparty default apply. Any deterioration in the assets backing a bond may result in a reduction in the value of the bond and, therefore, the relevant Fund. Additionally, a default by the issuer of a bond may result in a reduction in the value of the relevant Fund.

The price of bonds will generally be affected by changing interest rates and credit spreads.

***High Yield Bonds***
Funds that invest in bonds that are rated sub-investment grade, or bonds which are unrated but judged to be of comparable quality with sub-investment grade bonds, at the time of purchase, may be more volatile than funds investing in higher-rated bonds of similar maturity.

High yield bonds may also be subject to greater levels of credit or default risk than high-rated bonds. Such bonds are more likely to react to developments affecting market and credit risk than more highly rated securities. The value of high yield bonds can be adversely affected by overall economic conditions, such as an economic downturn or a period of rising interest rates, and high yield bonds may be less liquid and more difficult to sell at an advantageous time or price or to value than higher-rated bonds. In particular, high yield bonds are often issued by smaller, less creditworthy companies or by highly leveraged (indebted) firms, which are generally less able than more financially stable firms to make scheduled payments of interest and principal.

Investors should carefully consider the relative risks of investing in high yield securities and understand that such securities generally are not meant for short-term investing. Funds which invest in these securities may find it more difficult to sell high yield securities or may be able to sell the securities only at prices lower than if such securities were widely traded. Furthermore, such Funds may experience difficulty in valuing certain securities at certain times. Prices realised upon the sale of such lower or unrated rated securities, under these circumstances, may be less than the prices used in calculating the Net Asset Value. In addition, prices for high yield securities may be

affected by legislative and regulatory developments which could adversely affect the Net Asset Value insofar as they could adversely affect the Secondary Market for high yield securities, the financial condition of issuers of these securities and the value of outstanding high yield securities. For example, federal legislation in the United States requiring the divestiture by federally insured savings and loan associations of their investments in high yield bonds and limiting the deductibility of interest by certain corporate issuers of high yield bonds has adversely affected the market in recent years.

Lower rated or unrated (i.e. high yield) securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which primarily react to movements in the general level of interest rates. Lower rated or unrated fixed income obligations also present risks based on payment expectations. If an issuer calls the obligations for redemption, a Fund which invests in these securities may have to replace the security with a lower yielding security, resulting in a decreased return for investors. If the Fund experiences unexpected net redemptions, it may be forced to sell its higher rated securities, resulting in a decline in the overall credit quality of that Fund's investment portfolio and increasing the exposure of the Fund to the risks of high yield securities.

***Illiquidity of Bonds Close to Maturity***
In addition to the liquidity risks of bonds already described above, there is a risk that bonds which are nearing maturity may become illiquid. In such cases, it may become more difficult to achieve fair value on the purchase and sale thereof.

***Duration Risk***
Where a Fund invests in bonds it is subject to the risk that the value of its investments will change due to a change in the level of interest rates. Rising interest rates will lead to falling bond prices, while declining interest rates will lead to rising bond prices. Duration is a measure of the sensitivity of the price (the value of principal) of a bond to a change in interest rates and is expressed in number of years.

***Depository Notes***
GDNs are designed to offer exposure to their underlying securities.

In certain situations, the Investment Manager may use GDNs to provide exposure to underlying securities within the Benchmark Index, for example where the underlying securities cannot be, or are unsuitable to be, held directly, where direct access to the underlying securities is restricted or limited or where depository notes provide a more cost or tax efficient exposure. However, in such cases the Investment Manager is unable to guarantee that a similar outcome will be achieved to that if it were possible to hold the securities directly, due to the fact GDNs do not always perform in line with the underlying security.

In the event of the suspension or closure of a market(s) on which the underlying securities are traded, there is a risk that the value of the GDN will not closely reflect the value of the relevant underlying securities. Additionally, there may be some circumstances where the Investment Manager cannot, or it is not appropriate to, invest in a GDN, or the characteristics of the GDN do not exactly reflect the underlying security.

In the event that a Fund invests in GDNs in the circumstances set out above, the Fund's tracking of the Benchmark Index may be impacted, i.e. there is a risk that the Fund's return varies from the return of the Benchmark Index.

***Structured Finance and Other Securities***
A Fund may be exposed directly or indirectly to Structured Finance Securities and other assets which involve substantial financial risk, including distressed debt and low quality credit securities, asset-backed securities and credit-linked securities. These securities may entail a higher liquidity risk than exposure to sovereign or corporate bonds. The Fund's primary credit risk would be to the issuer of the Structured Finance Security.

***Fixed Income Transferable Securities***
Debt securities are subject to both actual and perceived measures of creditworthiness. The amount of credit risk may be assessed using the issuer's credit rating which is assigned by one or more independent rating agencies. This does not amount to a guarantee of the issuer's creditworthiness but provides an indicator of the likelihood of default. Securities which have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. Companies often issue securities which are ranked in order of seniority which in the event of default would be reflected in the priority in which investors might be paid back. The "downgrading" of an investment grade rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market.

A Fund may be affected by changes in prevailing interest rates and by credit quality considerations. Changes in market rates of interest will generally affect the Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter-term securities generally fluctuate less in response to interest rate changes than do longer-term securities. An economic recession may adversely affect an issuer's financial condition and the market value of high yield debt securities issued by such entity. The issuer's ability to service its debt obligations may be adversely affected by specific issuer developments, or the issuer's inability to meet specific projected business forecasts, or the unavailability of additional financing. In the event of bankruptcy of an issuer, a Fund may experience losses and incur costs.

***Illiquidity and Quality of Mortgage-Backed Instruments***
In addition to the risks associated with trading in FDI, there is a risk that mortgage-backed instruments may become illiquid. Additionally, the quality of mortgage pools may change from time to time. It may therefore,

become more difficult to achieve fair value on the purchase and sale of such instruments.

***Bank Corporate Bonds***
Corporate bonds issued by a financial institution may be subject to the risk of a write down or conversion (i.e. "bail-in") by a relevant authority in circumstances where the financial institution is unable to meet its financial obligations. This may result in bonds issued by such financial institution being written down (to zero), converted into equity or alternative instrument of ownership, or the terms of the bond may be varied. 'Bail-in' risk refers to the risk of relevant authorities exercising powers to rescue troubled banks by writing down or converting rights of their bondholders in order to absorb losses of, or recapitalise, such banks. Investors should be alerted to the fact that relevant authorities are more likely to use a "bail-in" tool to rescue troubled banks, instead of relying on public financial support as they have in the past. Relevant authorities now consider that public financial support should only be used as a last resort after having assessed and exploited, to the maximum extent practicable, other resolution tools, including the "bail-in" tool. A bail-in of a financial institution is likely to result in a reduction in value of some or all of its bonds (and possibly other securities) and a Fund holding such securities when a bail-in occurs will also be similarly impacted.

**Risks specific to investing in Currency Hedged Funds and Currency Hedged Share Classes**

***Currency Hedged Funds and Currency Hedged Share Classes***
Investors should be aware that currency hedging may adversely affect the returns on their investment due to transaction costs and spreads, market inefficiency, risk premia and other factors which may be material in the case of certain currencies and/or over the long term.

Currency Hedged Funds and Currency Hedged Share Classes use forward FX contracts and spot FX contracts to reduce or minimise the risk of currency fluctuations between, in the case of a Currency Hedged Fund, the currencies of the constituent securities of its Benchmark Index against its Base Currency and, in the case of a Currency Hedged Share Class, its underlying portfolio currency exposures against its Valuation Currency. In circumstances where the Base Currency of a Currency Hedged Fund or the Valuation Currency of a Currency Hedged Share Class is generally strengthening against the currency exposures being hedged (i.e. the currencies of the constituent securities of a Currency Hedged Fund's Benchmark Index or the underlying portfolio currency exposures of a Currency Hedged Share Class), currency hedging may protect investors in the relevant Currency Hedged Fund or Share Class against such currency movements. However, where the Base Currency of a Currency Hedged Fund or the Valuation Currency of a Currency Hedged Share Class is generally weakening against the currency exposures being hedged, currency hedging may preclude investors from benefiting from such currency movements. Investors should only invest in a Currency Hedged Fund or a Currency Hedged Share Class if they are willing to forego potential gains from appreciations in the currencies of the constituent securities of a Currency Hedged Fund's Benchmark Index or the underlying portfolio currency exposures of a Currency Hedged Share Class against the Currency Hedged Fund's Base Currency or the Currency Hedged Share Class' Valuation Currency respectively.

While currency hedging is likely to reduce currency risk in the Currency Hedged Funds and Currency Hedged Share classes, it is unlikely to completely eliminate currency risk.

Currency Hedged Share Classes in non-major currencies may be affected by the fact that capacity of the relevant currency market may be limited, which could reduce the ability of the Currency Hedged Share Class to reduce its currency risk and the volatility of such Currency Hedged Share Class.

***Currency Hedged Funds Tracking Currency Hedged Benchmark Indices***
In accordance with the hedging methodology of the Currency Hedged Funds' Benchmark Indexes (see "Fund Descriptions" above), the foreign currency hedge of each relevant Currency Hedged Fund is reset at the end of each month using one-month forward contracts. Whilst the hedge is proportionately adjusted for net subscription and redemptions in the relevant Currency Hedged Fund, no adjustment is made to the hedge during the month to account for the price movements of underlying securities held by the relevant Currency Hedged Fund, corporate events affecting such securities, or additions, deletions or any other changes to the constituents of the Fund's Benchmark Index. During the period between each foreign currency hedge reset at month-end, the nominal amount of the hedge may not match exactly the foreign currency exposure of the relevant Currency Hedged Fund. Depending on whether the assets in each currency in the Benchmark Index have appreciated or depreciated between each hedge reset, the foreign currency exposure for that currency in the relevant Currency Hedged Fund may be under-hedged or over-hedged respectively.

Gains or losses from the foreign currency hedge of the relevant Currency Hedged Fund will not be reinvested or covered until the hedge is reset at month-end. In the event that there is a loss on the relevant Currency Hedged Fund's foreign currency hedge prior to a reset at month-end, the relevant Currency Hedged Fund (by virtue of the hedging methodology used by its Benchmark Index) will have an exposure to securities which will exceed the Net Asset Value of the relevant Currency Hedged Fund as the Fund's Net Asset Value comprises both the value of the Fund's underlying securities plus the unrealised loss on the foreign currency hedge. Conversely, in the event that there is a gain on the relevant Currency Hedged Fund's foreign currency hedge prior to reset at month-end, the relevant Currency Hedged Fund will have a lower exposure to securities than its Net Asset Value as, in this case, the relevant Currency Hedged Fund's Net Asset Value will include an unrealised gain on the foreign currency hedge. When the foreign currency hedge is reset at month-end, any such difference will be materially addressed. The Investment Manager is seeking to deliver to investors a return reflective of the return of the benchmark index which incorporates a hedging methodology. Therefore the Investment Manager has no discretion to alter or vary the hedging methodology used by the relevant Currency Hedged Fund.

***Currency Hedged Share Classes***

Currency Hedged Share Classes use a currency hedging approach whereby the hedge is proportionately adjusted for net subscriptions and redemptions in the relevant Currency Hedged Share Class. An adjustment is made to the hedge to account for the price movements of the underlying securities held for the relevant Currency Hedged Share Class, corporate events affecting such securities, or additions, deletions or any other changes to the underlying portfolio holdings for the Currency Hedged Share Class, however, the hedge will only be reset or adjusted on a monthly basis and as and when a pre-determined tolerance is triggered intra-month, and not whenever there is market movement in the underlying securities. In any event, any over-hedged position arising in a Currency Hedged Share Class will be monitored daily and is not permitted to exceed 105% of the Net Asset Value of that Share Class as prescribed by the Central Bank UCITS Regulations. Under-hedged positions shall not fall short of 95% of the portion of the net asset value of the relevant Currency Hedged Share Class that is to be hedged against currency risk.

The aggregate gain or loss arising from the hedging positions of a Currency Hedged Share Class will be reduced by an adjustment to some or all of the currency hedges only on a monthly basis and as and when the aggregate exceeds a pre-determined tolerance intra-month as determined by the Investment Manager, and not whenever there is an aggregate gain or loss. When a gain or loss from a currency hedge is adjusted, either the gain will be reinvested into underlying securities or the underlying securities will be sold to meet the loss. In the event that there is a loss on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have an exposure to securities which will exceed its Net Asset Value as its Net Asset Value comprises both the value of its underlying securities plus the unrealised loss on its foreign currency hedge. Conversely, in the event that there is a gain on the foreign currency hedge of the relevant Currency Hedged Share Class prior to an adjustment or reset, the relevant Currency Hedged Share Class will have a lower exposure to securities than its Net Asset Value as, in this case, its Net Asset Value will include an unrealised gain on the foreign currency hedge. When the foreign currency hedge is adjusted or reset, any such difference will be materially addressed.

The Investment Manager will monitor the currency exposure and gain or loss arising from hedge positions of each Currency Hedged Share Class against the pre-determined tolerances daily and will determine when a currency hedge should be reset and the gain or loss arising from the currency forwards reinvested or settled, while taking into consideration the frequency and associated transaction and reinvestment costs of resetting the currency forwards. When a pre-determined tolerance threshold for a Currency Hedged Share Class is triggered as at the close of a Business Day, the relevant currency hedge will be reset or adjusted only on the next Business Day (on which the relevant currency markets are open); therefore, there could be a Business Day's lag prior to the hedge position being reset or adjusted.

The triggers for resetting and adjusting the hedge are pre-determined by the Investment Manager and periodically reviewed for appropriateness. Other than this periodic adjustment of the tolerance levels, the Investment Manager has no discretion to alter or vary the hedging methodology used by the relevant Currency Hedged Share Class (other than in exceptional market circumstances where the Investment Manager believes that it would be in investors' interests to reset or adjust the hedge before the trigger levels are exceeded, or not reset or adjust the hedge if they are exceeded).

**Interest Rate Hedged Fund**

The Benchmark Index which the Interest Rate Hedged Fund tracks is designed to provide returns that minimise the effect of changes in underlying bond yields. Investors should only invest in the Interest Rate Hedged Fund if they are willing to forego potential gains from the reduction in underlying interest rates. Investors should note that whilst the Interest Rate Hedged Fund aims to minimise the effect of a movement in interest rates they may not eliminate it completely.

***Interest Rate Hedging Methodology***
In accordance with the hedging methodology of the Interest Rate Hedged Fund's Benchmark Index (see "Fund Descriptions" above), the interest rate hedge of the Interest Rate Hedged Fund is set at the start of each month using a US Treasury bond futures contract. Whilst the hedge is proportionately adjusted for net subscription and redemptions in the Interest Rate Hedged Fund, no adjustment is made to the hedge during the month to account for price movements of underlying securities held by the Interest Rate Hedged Fund, corporate events affecting such securities, or additions, deletions or any other changes to the constituents of the Benchmark Index. During the period between the hedge reset, the offsetting duration contribution of the US Treasury bond futures may not match exactly the duration of the Interest Rate Hedged Fund. Depending on whether the Benchmark Index has appreciated or depreciated between each hedge reset, the interest rate exposure of the Interest Rate Hedged Fund may be under-hedged or over-hedged respectively.

Positions in futures contracts require the Interest Rate Hedged Fund to post cash as initial margin and variation margin, which will reflect any gains or losses from the futures positions. As a result the Interest Rate Hedged Fund will have a lower exposure to securities than its Benchmark Index.

**Risks specific to use of FDI**

***FDI Risks***
Each Fund may use FDI for the purposes of efficient portfolio management or, where stated in the investment policy of a Fund, for direct investment purposes. 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 the Fund trades, the risk of settlement default, lack of liquidity of the FDI, imperfect tracking between the change

in value of the FDI and the change in value of the underlying asset that the Fund is seeking to track and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when entering into a FDI, a Fund may be required to secure its obligations to its counterparty. For non-fully funded FDI, this may involve the placing of initial and/or variation margin assets with the counterparty. For FDI which require a Fund 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 Fund 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 Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of an FDI may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the FDI only if a minimum transfer amount is triggered, the Fund may have an uncollateralised risk exposure to a counterparty under an FDI up to such minimum transfer amount. A default by the counterparty in such circumstances will result in a reduction in the value of the Fund and thereby a reduction in the value of an investment in the Fund.

Additional risks associated with investing in FDI 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 Fund's credit exposure to its counterparty under a FDI is not fully collateralised but each Fund will continue to observe the limits set out in paragraph 2.8 of Schedule III. The use of FDI may also expose a Fund 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.

***Uncollateralised FDI***
In addition to the risks associated with trading in FDI, trading in FDI which have not been collateralised gives rise to direct counterparty exposure. For FDI which are not collateralised (including, without limitation, mortgage-backed forward instruments where the underlying is unknown (commonly known as "TBAs")), such counterparty exposure exists for the period during the trading and settlement dates. A default by the issuer of such instrument may result in a reduction in the value of the Fund.

**Other general risks**

***Fund Liability Risk***
The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation of liability. As at the date of this Prospectus, the Directors are not aware of any such existing or contingent liability.

***Funds with Multiple Share Classes***
While assets and liabilities that are specific to a Share Class within a Fund would be attributable to (and should be borne by) only that Share Class, there is no segregation of liabilities between Share Classes as a matter of Irish law. Due to the lack of segregation of liabilities as a matter of law, there is a risk that the creditors of a Share Class may bring a claim against the assets of the Fund notionally allocated to other Share Classes.

In practice, cross liability between Share Classes is only likely to arise where the aggregate liabilities attributable to a Share Class exceed the aggregate assets of the Fund notionally allocated to that Share Class. Such a situation could arise if, for example, there is a default by a counterparty in respect of the relevant Fund's investments. In these circumstances, the remaining assets of the Fund notionally allocated to other Share Classes of the same Fund may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable to holders of Shares of such other Share Classes.

***Funds with One or More Currency Hedged Share Classes***
Currency Hedged Share Classes hedge their currency exposure using forward FX contracts and spot FX contracts. All gains, losses and expenses arising from hedging transactions for a particular Currency Hedged Share Class are attributed only to that Currency Hedged Share Class and should generally be borne only by the investors in that Share Class. However, given that there is no segregation of liabilities between Share Classes under law, there is a risk that, if the assets notionally allocated to a Currency Hedged Share Class are insufficient to meet the losses arising from its hedging transactions (in addition to other fees and expenses attributable to such Share Class), the losses arising from the hedging transactions for such Share Class could affect the Net Asset Value per Share of one or more other Share Classes of the same Fund.

***Insufficiency of Duties and Charges***
The Fund levies Duties and Charges in order to defray the costs associated with the purchase and sale of Investments. The level of Duties and Charges may be determined by the Manager in advance of the actual purchase or sale of Investments or execution of associated foreign exchange. It may be estimated based on historic information concerning the costs incurred in trading the relevant securities in the relevant markets. This figure is reviewed periodically and adjusted as necessary. If the Fund levies Duties and Charges which are insufficient to discharge all of the costs incurred in the purchase or sale of Investments, the difference will be paid out of the assets of the Fund, which, pending the reimbursement of the shortfall by an Authorised Participant, will result in a reduction in the value of the Fund (and a corresponding reduction in the value of each Share). In circumstances where Shares subscribed have been issued to an Authorised Participant prior to the receipt by the Fund from the Authorised Participant of the full costs incurred or to be incurred by the Fund in acquiring underlying investments

attributable to a subscription, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall. Similarly, in circumstances where redemption proceeds have been paid to the Authorised Participant prior to the deduction from such proceeds of the full costs incurred or to be incurred by the Fund in disposing of underlying investments attributable to a redemption, the Fund will have a credit exposure as an unsecured creditor to the Authorised Participant in respect of any shortfall.

***Failure to Settle***
If an Authorised Participant submits a dealing request and subsequently fails or is unable to settle and complete the dealing request, the Company will have no recourse to the Authorised Participant other than its contractual right to recover such costs. In the event that no recovery can be made from the Authorised Participant and any costs incurred as a result of the failure to settle will be borne by the Fund and its investors.

***Taxation Risks***
Potential investors' attention is drawn to the taxation risks associated with investment in the Company. See the section headed "Taxation".

*Changes in taxation legislation may adversely affect the Funds*

The tax information provided in the "Taxation" section is based, to the best knowledge of the Company, upon tax law and practice as at the date of this Prospectus. Tax legislation, the tax status of the Company and the Funds, the taxation of investors and any tax relief, and the consequences of such tax status and tax relief, may change from time to time. Any change in the taxation legislation in Ireland or in any jurisdiction where a Fund is registered, cross-listed, marketed or invested could affect the tax status of the Company and the relevant Fund, affect the value of the relevant Fund's Investments in the affected jurisdiction, affect the relevant Fund's ability to achieve its investment objective, and/or alter the post-tax returns on Shares held. Where a Fund invests in FDI the preceding sentence may also extend to the jurisdiction of the governing law of the FDI contract and/or the FDI counterparty and/or to the market(s) comprising the underlying exposure(s) of the FDI.

The availability and value of any tax relief available to investors depend on the individual circumstances of investors. The information in the "Taxation" section is not exhaustive and does not constitute legal or tax advice. Prospective investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Funds.

*Withholding tax reclaims*

The Company may be subject to withholding or other taxes on income and/or gains arising from its investment portfolio. Where the Company invests in securities that are not subject to withholding or other taxes at the time of acquisition, there can be no assurance that tax may not be imposed in the future as a result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Company may not be able to recover such tax and so any such change could have an adverse effect on the Net Asset Value of the Fund.

The Company (or its representative) may file claims on behalf of the Funds to recover withholding tax on dividend and interest income (if any) received from issuers in certain countries where such withholding tax reclaim is possible. Whether or when a Fund will receive a withholding tax refund in the future is within the control of the tax authorities in such countries. Where the Company expects to recover withholding tax for a Fund based on a continuous assessment of probability of recovery, the Net Asset Value of that Fund generally includes accruals for such tax refunds. The Company continues to evaluate tax developments for potential impact to the probability of recovery for such Funds. If the likelihood of receiving refunds materially decreases, for example due to a change in tax regulation or approach, accruals in the relevant Fund's Net Asset Value for such refunds may need to be written down partially or in full, which will adversely affect that Fund's Net Asset Value. Investors in that Fund at the time an accrual is written down will bear the impact of any resulting reduction in Net Asset Value regardless of whether they were investors during the accrual period. Conversely, if the Fund receives a tax refund that has not been previously accrued, investors in the Fund at the time the claim is successful will benefit from any resulting increase in the Fund's Net Asset Value. Investors who disposed of their interest in Shares prior to such time will not benefit from such Net Asset Value increase.

*Tax liability in new jurisdictions*

Where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example the Middle East, the Company, the relevant Fund, the Manager, the Investment Manager, the Depositary and the Administrator shall not be liable to account to any holder of Shares for any payment made or suffered by the Company or the relevant Fund in good faith to a fiscal authority for taxes or other charges of the Company or the relevant Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered.

Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the relevant Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Fund. Such late paid taxes will normally be debited to the fund at the point the decision to accrue the liability in the Fund accounts is made.

*Treatment of tax by index providers*

Investors should be aware that the performance of Funds, as compared to a Benchmark Index, may be adversely

affected in circumstances where the assumptions about tax made by the relevant index provider in their index calculation methodology, differ to the actual tax treatment of the underlying securities in the Benchmark Index held within Funds.

*FATCA*

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 Company being unable to comply with the terms of such reporting systems.

*Transfer of interests in a Fund with India Exposure*

Section 9 of the Indian Income Tax Act (applicable with retrospective effect from April 1, 1961) provides that a transfer of any share or interest in a foreign entity is subject to capital gains tax in India, if its value is substantially derived, directly or indirectly, from assets located in India ("**Indirect Transfer Tax**"). However, the law provides a carve-out under which the Indirect Transfer Tax does not apply to investments, direct or indirect, made in Category I and Category II FPIs. On the basis of this carve-out and each Fund with India Exposure being registered as a Category II FPI, the investors would not be liable to tax in India on the redemption from, or the sale of their Shares or interest in a Fund with India Exposure.

***Liquidity Risk***
A Fund's investments may be subject to liquidity constraints, which means they may trade less frequently and in small volumes. Securities of certain types, such as bonds and mortgage-backed instruments, may also be subject to periods of significantly lower liquidity in difficult market conditions. As a result, changes in the value of investments may be more unpredictable. In certain cases, it may not be possible to sell the security at the price at which it has been valued for the purposes of calculating the Net Asset Value of the Fund or at a value considered to be fairest. Reduced liquidity of a Fund's investments may result in a loss to the value of your investment.

***Dealing Day Risk***
As foreign exchanges can be open on days which are not Dealing Days or days when a Fund may have suspended calculation of its Net Asset Value and the subscription and redemption of Shares and, therefore, Shares in the Fund are not priced, the value of the securities in the Fund's portfolio may change on days when a Fund's Shares will not be able to be purchased or sold.

***Share Subscriptions and Redemptions***
Provisions relating to the redemption of Shares grant the Company discretion to limit the amount of Shares available for redemption on any Dealing Day to 10% of the Net Asset Value of any Fund and, in conjunction with such limitations, to defer or pro-rate such redemption requests. In addition, where requests for subscription or redemption are received late, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

***Umbrella Cash Subscription and Redemption Account Risk***
Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account. Investors will be unsecured creditors of such Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, the redeemed Shares will be cancelled from the relevant redemption date. Redeeming Authorised Participants and Authorised Participants entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full. Redeeming Authorised Participants and Authorised Participants entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Authorised Participant's own risk.

In respect of the Umbrella Cash Collection Account, in the event of the insolvency of another Fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish insolvency and trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances such Fund or the Company would have sufficient funds to repay any unsecured creditors.

***Trading Currency Exposure***
Shares may be traded in various currencies on various stock exchanges. In addition, subscriptions and redemptions of Shares in a Fund will ordinarily be made in the Valuation Currency of the Shares and may in some cases be permitted in other currencies. The currencies in which the underlying investments of a Fund are denominated may

also differ from the Base Currency of the Fund (which may follow the base currency of the Fund's Benchmark Index) and from the Valuation Currency of the Shares. Depending on the currency in which an investor invests in a Fund, foreign exchange fluctuations between the currency of investment, the Valuation Currency of the Shares and the Base Currency of the Fund and/or the currencies in which the Fund's underlying investments are denominated, will have an impact on, and may adversely affect, the value of such investor's investments.

***Temporary Suspension***
Investors are reminded that in certain circumstances their right to redeem or switch Shares may be temporarily suspended. Please see 'Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching' on page 97.

***Valuation Risk***
Certain assets of the Fund may become illiquid and/or not publicly traded. Such securities and financial instruments may not have readily available prices and may therefore be difficult to value. The Manager, Investment Manager or Administrator may provide valuation services (to assist in calculating the Net Asset Value of a Fund) in relation to such securities and financial instruments. Investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated valuation of the securities the higher the fees payable to the Manager, Investment Manager or Administrator. Please see "Conflicts of Interest - General" on page 113 for details of how the Company deals with conflicts. In addition, given the nature of such Investments, determinations as to their fair value may not represent the actual amount that will be realised upon the eventual disposal of such Investments.

***LIBOR and Other Reference Rates Risk***
Certain of the Funds' investments, benchmarks and payment obligations may be based on floating rates, such as the London Interbank Offered Rate ("LIBOR"), European Interbank Offer Rate ("EURIBOR"), Sterling Overnight Interbank Average Rate ("SONIA"), and other similar types of reference rates ("Reference Rates"). The changes or reforms to the determination or supervision of Reference Rates could have an adverse impact on the market for, or value of, any securities or payments linked to those Reference Rates. In addition, any substitute Reference Rate and any pricing adjustments imposed by a regulator or by counterparties or otherwise may adversely affect a Fund's performance and/or Net Asset Value.

In 2017, the head of the United Kingdom's Financial Conduct Authority announced a desire to phase out the use of LIBOR by the end of 2021. There remains uncertainty regarding the future utilization of LIBOR and the nature of any replacement Reference Rate. As such, the potential effect of a transition away from LIBOR on a Fund or the financial instruments in which the Fund may invest cannot yet be determined.

In 2017, the Alternative Reference Rates Committee, a group of large U.S. banks working with the Federal Reserve, announced its selection of the Secured Overnight Financing Rate ("SOFR"), which is intended to be a broad measure of secured overnight U.S. Treasury repo rates, as an appropriate replacement for LIBOR. The Federal Reserve Bank of New York began publishing the SOFR in 2018, with the expectation that it could be used on a voluntary basis in new instruments and transactions.

Bank working groups and regulators in other jurisdictions have suggested other alternatives for their markets in addition to the changes outlined above.

# VALUATION OF THE FUNDS

**General**

The Net Asset Value per Share in each Fund shall be determined for each Dealing Day, in accordance with the Articles, by dividing the assets of the Fund, less its liabilities, by the number of Shares in issue in respect of that Fund, adjusted by rounding to such number of decimal places as the Directors may determine and agree with the Administrator. Any liabilities of the Company which are not attributable to any Fund shall be allocated pro rata amongst all of the Funds according to their respective Net Asset Values.

Each Fund will be valued for each Dealing Day as at the Valuation Point listed for the Fund in the Primary Market Dealing Timetable using the index methodology of valuing securities. Depending on the nature of the underlying security, this could be either at the last traded, closing mid-market price or bid price on the relevant market.

A Fund may comprise more than one class of Shares and the Net Asset Value per Share may differ between classes in a Fund. Where a Fund is made up of more than one class of Shares, the Net Asset Value of each class shall be determined by calculating the amount of the Net Asset Value of the Fund attributable to each class. The Net Asset Value per Share of a class shall be calculated by dividing the Net Asset Value of the class by the number of Shares in issue in that class. The Net Asset Value of a Fund attributable to a class shall be determined by establishing the value of Shares in issue in the class and by allocating relevant fees and expenses to the class and making appropriate adjustments to take account of distributions paid out of the Fund, if applicable, and apportioning the Net Asset Value of the Fund accordingly.

Assets listed or traded on a Regulated Market for which market quotations are readily available shall be priced at the Valuation Point using the last traded price for equity securities and the closing mid-market price for bond securities on the principal Regulated Market for such Investment (with the exception of iShares $ Corp Bond Interest Rate Hedged UCITS ETF, iShares $ Corp Bond UCITS ETF, iShares $ Treasury Bond 0-1yr UCITS ETF, iShares $ Treasury Bond 1-3yr UCITS ETF, iShares $ Treasury Bond UCITS ETF, iShares € High Yield Corp Bond UCITS ETF, iShares Global Corp Bond UCITS ETF and iShares Global High Yield Corp Bond UCITS ETF in respect of which bond securities shall be valued in accordance with the methodology employed by the Fund's relevant Benchmark Index which values bond securities using a bid price). If the assets of a Fund are listed or traded on several Regulated Markets, the last traded price, closing mid-market price and/or bid price, as applicable, on the Regulated Market which, in the opinion of the Administrator, constitutes the main market for such assets, will be used.

The value of an Investment listed on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant stock exchange or an OTC market may be valued taking into account the level of premium or discount as at the date of valuation of the Investment with the approval of the Depositary, who must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the Investment.

In the event that any of a Fund's Investments on the relevant Dealing Day are not listed or traded on any Regulated Market and for which market quotations are not readily available, such Investments shall be valued at their probable realisation value determined by the Directors or such other competent person (which may be related to but independent of the Fund) or firm appointed by the Directors and approved by the Depositary (as a competent person for such purpose) with care and in good faith.

The Administrator may use such probable realisation value estimated with care and in good faith as may be recommended by a competent professional appointed by the Directors and who is approved by the Depositary as a competent person for such purpose. Cash and other liquid assets will be valued at their face value with interest accrued, where applicable.

If for specific assets of a Fund the last traded, closing mid-market and/or bid prices, as applicable, do not, in the opinion of the Manager, reflect their fair value or if prices are unavailable, the value shall be calculated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for that purpose by the Depositary, on the basis of the probable realisation value for such assets as at the Valuation Point.

In the event of it being impossible or incorrect to carry out a valuation of a specific Investment in accordance with the valuation rules set out above, or if such valuation is not representative of the fair market value in the context of currency, marketability and such other considerations which are deemed relevant, the Directors are entitled to use other generally recognised valuation methods in order to reach a fair market valuation of that specific Investment, provided that such method of valuation has been approved by the Depositary.

Shares, units of or participations in open-ended collective investment schemes will be valued at the latest available net asset value of such share, unit or participation as published by such open-ended collective investment scheme; shares, units of or participations in closed-ended collective investment schemes will, if listed or traded on a Regulated Market, be valued in accordance with the provisions above which apply to Investments listed or normally dealt in on a Regulated Market.

Any value and borrowing expressed otherwise than in the Base Currency of a Fund (whether of an Investment or cash) shall be converted into the Fund's Base Currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances.

Exchange-traded FDI will be valued for each Dealing Day at the settlement price for such instruments as at the Valuation Point. If such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Directors or a competent person or firm appointed by the Directors and approved for such purpose by the Depositary.

The value of any OTC FDI contracts shall be (a) a quotation from the counterparty or (b) an alternative valuation, such as model pricing, calculated by the Company or an independent pricing vendor (which may be a party related to but independent of the counterparty which does not rely on the same pricing models employed by the counterparty) provided that: (i) where a counterparty valuation is used, it must be provided on at least a daily basis and approved or verified at least weekly by a party independent of the counterparty, which may be the Investment Manager or the Administrator (approved for the purpose by the Depositary); (ii) where an alternative valuation is used (i.e. a valuation that is provided by a competent person appointed by the Manager or Directors and approved for that purpose by the Depositary (or a valuation by any other means provided that the value is approved by the Depositary)), it must be provided on a daily basis and the valuation principles employed must follow best international practice established by bodies such as IOSCO (International Organisation of Securities Commission) and AIMA (the Alternative Investment Management Association) and any such valuation shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise these must be promptly investigated and explained.

Forward foreign exchange and interest rate swaps contracts for which market quotations are freely available may be valued in accordance with the previous paragraph or by reference to market quotations (in which case there is no requirement to have such prices independently verified or reconciled to the counterparty valuation).

**Publication of Net Asset Value and Net Asset Value per Share**

Except where the determination of the Net Asset Value has been suspended in the circumstances described under "Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching" on page 97, the Net Asset Value per Share for each Fund shall be made available at the registered office of the Administrator on or before the close of business of each Dealing Day. The Net Asset Value per Share for each class of Shares in each Fund shall also be published daily on the Business Day following the Valuation Point for the applicable Fund by means of a Regulatory Information Service as well as the official iShares website (www.iShares.com), which shall be kept up to date, and such other publications and with such frequency as the Directors may determine. The publishing of the Net Asset Value per Share for each class of Shares in each Fund is for information purposes only, and is not an invitation to apply for, redeem or switch Shares at the published Net Asset Value per Share.

**Indicative Net Asset Value**

The indicative net asset value (iNAV®) is the net asset value per share of each class of Shares in a Fund calculated on a real time basis (every 15 seconds) during trading hours. The values are intended to provide investors and market participants with a continuous indication of the value of each class of Shares. The values are usually calculated based on a valuation of the actual Fund portfolio using real-time prices from all relevant exchanges.

The responsibility for the calculation and publication of the iNAV® values of each class of Shares has been delegated by the Investment Manager to the Deutsche Börse Group. iNAV® values are disseminated via Deutsche Börse's CEF data feed and are displayed on major market data vendor terminals as well as on a wide range of websites that display stock market data, including the Deutsche Börse website at www.deutsche-boerse.com and/or http://www.reuters.com.

An iNAV® is not, and should not be taken to be or relied on as being, the value of a Share or the price at which Shares may be subscribed for or redeemed or purchased or sold on any relevant stock exchange. In particular, any iNAV® provided for a Fund where the constituents of the Benchmark Index or Investments are not actively traded during the time of publication of such iNAV® may not reflect the true value of a Share, may be misleading and should not be relied on. The inability of the Investment Manager or its designee to provide an iNAV®, on a real-time basis, or for any period of time, will not in itself result in a halt in the trading of the Shares on a relevant stock exchange, which will be determined by the rules of the relevant stock exchange in the circumstances. Investors should be aware that the calculation and reporting of any iNAV® may reflect time delays in the receipt of the prices of the relevant constituent securities in comparison to other calculated values based upon the same constituent securities including, for example, the Benchmark Index or Investments itself or the iNAV® of other exchange traded funds based on the same Benchmark Index or Investments. Investors interested in dealing in Shares on a relevant stock exchange should not rely solely on any iNAV® which is made available in making investment decisions, but should also consider other market information and relevant economic and other factors (including, where relevant, information regarding the Benchmark Index or Investments, the relevant constituent securities and financial instruments based on the Benchmark Index or Investments corresponding to a Fund). None of the Company, the Directors, the Investment Manager or its designee, the Depositary, the Administrator, any Authorised Participant and the other service providers shall be liable to any person who relies on the iNAV®.

**Income Equalisation**

For tax and accounting purposes, the Manager may implement income equalisation arrangements with a view to ensuring that the level of income derived from Investments is not affected by the issue, switching or redemption of Shares during the relevant accounting period.

## DEALINGS IN THE COMPANY

The Funds are exchange traded funds which means that the Shares of the Funds are listed on one or more stock exchanges. Certain market makers and brokers are authorised by the Company to subscribe and redeem Shares of the Funds directly with the Company in the Primary Market and they are referred to as "Authorised Participants". Such Authorised Participants generally have the capability to deliver the Shares of the Funds within the clearing systems relevant to the stock exchanges on which the Shares are listed. Authorised Participants usually sell the Shares they subscribe to on one or more stock exchanges, the Secondary Market, where such Shares become freely tradable. Potential investors who are not Authorised Participants can purchase and sell the Shares of the Funds on the Secondary Market through a broker/dealer on a recognised stock exchange or OTC. For further details of such brokers please contact the Investment Manager.

The section titled "Procedure for Dealing on the Primary Market" relates to subscriptions and redemptions between the Company and Authorised Participants. Investors who are not Authorised Participants should refer to the section below titled "Procedure for Dealing on the Secondary Market".

# PROCEDURE FOR DEALING ON THE PRIMARY MARKET

The Primary Market is the market on which Shares of the Funds are issued or redeemed by the Company at the request of Authorised Participants. Only Authorised Participants are able to effect subscriptions and redemptions of Shares on the Primary Market.

Applicants wishing to deal on the Primary Market in respect of the Funds have to satisfy certain eligibility criteria, and be registered with the Company, to become Authorised Participants. In addition, all applicants applying to become Authorised Participants must first complete the Company's Account Opening Form which may be obtained from the Administrator and satisfy certain anti-money laundering checks. The signed original Account Opening Form should be sent to the Administrator. Applicants wishing to become Authorised Participants should contact the Investment Manager or the Electronic Order Entry Facility Operator for further details. The Company has absolute discretion to accept or reject any Account Opening Form and to revoke any authorisation to act as an Authorised Participant. The Common Depositary's Nominee, acting as the registered holder of Shares in the Funds, may not apply to become an Authorised Participant.

Authorised Participants may submit dealing requests for subscriptions or redemptions of Shares in a Fund through the Electronic Order Entry Facility. The use of the Electronic Order Entry Facility is subject to the prior consent of the Electronic Order Entry Facility Operator and the Administrator and must be in accordance with and comply with the requirements of the Central Bank. Requests for subscriptions and redemptions placed electronically are subject to the dealing request cut off times stated in the Primary Market Dealing Timetable. Alternative dealing methods are available with the consent of the Investment Manager and in accordance with the requirements of the Central Bank.

All dealing applications are at the Authorised Participant's own risk. Dealing requests, once submitted, shall (save as determined by the Investment Manager or the Electronic Order Entry Facility Operator at its discretion) be irrevocable. The Company, the Investment Manager, the Electronic Order Entry Facility Operator and the Administrator shall not be responsible for any losses arising in the transmission of Account Opening Forms or for any losses arising in the transmission of any dealing request through the Electronic Order Entry Facility or any alternative dealing method approved by the Investment Manager or the Electronic Order Entry Facility Operator. Amendments to registration details and payment instructions will only be effected upon receipt by the Company of the original documentation.

Authorised Participants are responsible for ensuring that they are able to satisfy their purchase and redemption settlement obligations when submitting dealing requests on the Primary Market. Authorised Participants making redemption requests must first ensure that they have a sufficient holding of Shares available for redemption (which holding in the required number of Shares must be delivered to the Administrator for settlement in the relevant International Central Securities Depositary by the relevant settlement date). Redemption requests will be processed only where the payment is to be made to the Authorised Participant's account of record.

**Portfolio Composition File**

The Company publishes a Portfolio Composition File for each Launched Share Class providing an indication of the Investments of each Current Fund. In addition, the Portfolio Composition File also sets out the Cash Component to be delivered (a) by Authorised Participants to the Company in the case of subscriptions; or (b) by the Company to the Authorised Participants in the case of redemptions.

The Portfolio Composition File for each Launched Share Class of each of the Current Funds for each Dealing Day may be requested by Authorised Participants from the Investment Manager.

**Dealings in Kind, in Cash and Directed Cash Dealings**

Shares may be subscribed for and redeemed on each Dealing Day.

The Company has absolute discretion to accept or reject in whole or in part any application for Shares without assigning any reason therefor. The Company also has absolute discretion (but shall not be obliged) to reject or cancel in whole or in part any subscription for Shares prior to the issue of Shares to an applicant (notwithstanding the application having been accepted) and the registration of the same in the name of the Common Depositary's Nominee in the event that any of the following occurs to the Authorised Participant (or its parent company or ultimate parent company): an Insolvency Event; a downgrading of credit rating; being placed on a watchlist (with negative implications) by a credit rating agency; or where the Company (or its Manager or Investment Manager) has reasonable grounds to conclude that the relevant Authorised Participant may be unable to honour its settlement obligations or that the Authorised Participant poses a credit risk to the Funds. In addition, the Company may impose such restrictions as it believes necessary to ensure that no Shares are acquired by persons who are not Qualified Holders.

The Company may accept subscriptions and pay redemptions either in kind or in cash or in a combination of both. The Company may determine whether to accept subscriptions in kind and/or in cash at its absolute discretion. The Company has the right to determine whether it will only accept requests for redemptions from an Authorised Participant in kind and/or in cash on a case by case basis in the event that any of the following occurs to the Authorised Participant (or its parent company or ultimate parent company): an Insolvency Event; a downgrading of credit rating; being placed on a watchlist (with negative implications) by a credit rating agency; or where the Company (or its Manager or Investment Manager) has reasonable grounds to conclude that the relevant Authorised

Participant may be unable to honour its settlement obligations or that the Authorised Participant poses a credit risk.

Shares may be subscribed at the relevant Net Asset Value per Share together with associated Duties and Charges which may be varied to reflect the cost of execution. Shares may be redeemed at the relevant Net Asset Value per Share less any associated Duties and Charges which may be varied to reflect the cost of execution. The Articles empower the Company to charge such sum as the Manager considers represents an appropriate figure for Duties and Charges. The level and basis of calculating Duties and Charges may also be varied depending on the size of the relevant dealing request and the costs relating to, or associated with, the primary market transactions. Where Authorised Participants subscribe for or redeem Shares in cash in a currency that is different from the currencies in which the relevant Fund's underlying investments are denominated, the foreign exchange transaction costs associated with converting the subscription amount to the currencies needed to purchase the underlying investments (in the case of a subscription) or converting the sale proceeds from selling the underlying investments to the currency needed to pay redemption proceeds (in the case of a redemption) will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

Where Authorised Participants subscribe for or redeem Shares in a Currency Hedged Fund or a Currency Hedged Share Class, the transaction costs associated with increasing (in the case of a subscription) or decreasing (in the case of a redemption) such hedge will be included in the Duties and Charges which are applied to the relevant subscription or redemption amounts (respectively) paid or received (as the case may be) by such Authorised Participants.

In some cases, the level of Duties and Charges has to be determined in advance of the completion of the actual purchase or sale of Investments or execution of associated foreign exchange by or on behalf of the Company and the subscription or redemption price may be based on estimated Duties and Charges (which could be based on historic information concerning the costs incurred or expected costs in trading the relevant securities in the relevant markets). Where the sum representing the subscription or redemption price is based on estimated Duties and Charges which turn out to be different to the costs actually incurred by a Fund when acquiring or disposing of Investments as a result of a subscription or redemption, the Authorised Participant shall reimburse the Fund for any shortfall in the sum paid to the Fund (on a subscription) or any excess sum received from the Fund (on a redemption), and the Fund shall reimburse the Authorised Participant for any excess received by the Fund (on a subscription) or any shortfall paid by the Fund (on a redemption), as the case may be. Authorised Participants should note that no interest will accrue or be payable on any amount reimbursed or to be reimbursed by a Fund. In order to protect the Funds and holders of their Shares, the Company and the Manager reserve the right to factor into the estimated Duties and Charges a buffer to protect the Fund from potential market and foreign exchange exposure pending the payment of the actual Duties and Charges.

Dealing orders will normally be accepted in multiples of the minimum number of Shares. Such minima may be reduced or increased in any case at the discretion of the Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum subscription and redemption orders for the Current Funds. Details in relation to the Valuation Points and cut-off times for the Current Funds are also set out in the Primary Market Dealing Timetable below. Details of the dealing cut-off times for subscription and redemption orders are also available from the Administrator. There are no minimum holding requirements for the Funds as at the date of this Prospectus. Details of the initial offer period and initial offer price are set out in the Primary Market Initial Dealing Timetable below.

Applications received after the times listed in the Primary Market Dealing Timetable will generally not be accepted for dealing on the relevant Dealing Day. However, such applications may be accepted for dealing on the relevant Dealing Day, at the discretion of the Company, Manager or the Investment Manager, in exceptional circumstances, provided they are received prior to the Valuation Point. Settlement of the transfer of Investments and/or cash payments in respect of subscriptions and redemptions must take place within a prescribed number of Business Days after the Dealing Day (or such earlier time as the Manager may determine in consultation with the Authorised Participant). Authorised Participants should refer to the Electronic Order Entry Facility for details of the maximum and minimum settlement times (which can range from one to four Business Days) in respect of subscriptions and redemptions. If a Significant Market is closed for trading or settlement on any Business Day during the period between the relevant Dealing Day and the expected settlement date (inclusive), and/or settlement in the base currency of the Fund is not available on the expected settlement date, there may be corresponding delays to the settlement times (but such delays will not exceed the regulatory requirements for settlement).

If a redeeming Authorised Participant requests redemption of a number of Shares representing 5% or more of the Net Asset Value of a Fund, the Directors may, in their sole discretion, redeem the Shares by way of a redemption in kind and in such circumstances the Directors will, if requested by the redeeming Authorised Participant, sell the Investments on behalf of the Authorised Participant. (The cost of the sale can be charged to the Authorised Participant.)

If redemption requests on any Dealing Day amount to Shares representing 10% or more of the Net Asset Value of a Fund, the Manager may, in its discretion, refuse to redeem any Shares representing in excess of 10% of the Net Asset Value of the Fund (at any time including after the cut-off time on the Dealing Day). Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all Shares to which the original request related have been redeemed.

Settlement for redemptions will normally be made within ten Business Days of the Dealing Day. Payment of

redemption proceeds to the account instructed by the Authorised Participant requesting the redemption will be in full discharge of the Company's obligations and liability.

The Investment Manager will carry out the underlying trades for any subscription or redemption request at its absolute discretion and may vary the underlying trades (for example, by staggering the timing of the trades) to take into account (amongst other things) the impact on other Shares in the relevant Fund and on the underlying market, as well as acceptable industry practices.

*Dealings in Kind*

Shares in certain Funds may be subscribed for and/or redeemed in exchange for in kind assets. Authorised Participants wishing to deal in kind should contact the Investment Manager for a list of Funds which accept dealing requests in kind.

Subscriptions by Authorised Participants for Shares in exchange for in kind assets would need to deliver a basket of underlying securities and a Cash Component (both as determined by the Investment Manager based on the underlying portfolio held, and to be held, by the Fund) to the Fund as part of its settlement obligations.

In the event that an Authorised Participant fails to deliver, or delays in delivering, one or more of the specified underlying securities by the relevant settlement date, the Company may (but shall not be obliged to) require the Authorised Participant to pay to it a sum equal to the value of such underlying securities plus any Duties and Charges associated with the purchase by the Company of such underlying securities, including any foreign exchange costs and other fees, and/or costs incurred as a result of the delay.

Redemptions by Authorised Participants in exchange for in kind assets would receive their redemption proceeds in the form of underlying securities and, if relevant, a Cash Component, as determined by the Investment Manager based on the Fund's underlying portfolio.

*Directed Cash Dealings*

If any Authorised Participant initiating a cash subscription or redemption wishes to have the underlying securities traded with a particular designated broker (i.e. a directed cash subscription or redemption), the Authorised Participant would need to specify the designated broker in its dealing request. The Investment Manager will use reasonable endeavours to transact the underlying securities with the designated broker (save in exceptional market circumstances), subject to the designated broker and its sub-brokers being acceptable to the Investment Manager and being able to transact the underlying securities. Authorised Participants that wish to select a designated broker are required, prior to the Investment Manager transacting the underlying securities, to contact the relevant portfolio trading desk of the designated broker to arrange the trade and to agree pricing and other terms of the trade.

As part of the Authorised Participant's settlement obligations for a directed cash subscription, the Authorised Participant would be responsible for (i) ensuring that the designated broker transfers to the Fund (via the Depositary) the relevant underlying securities, and (ii) paying the fees and costs charged by the designated broker for selling the relevant underlying securities to the Fund plus any associated Duties and Charges, including foreign exchange costs, to reflect the cost of execution.

The Authorised Participant is responsible for ensuring that the designated broker purchases the relevant underlying securities from the Fund for a directed cash redemption. The Authorised Participant will receive the price paid by the designated broker for purchasing the relevant underlying securities from the Fund, less any associated Duties and Charges, including foreign exchange costs, to reflect the cost of execution.

The Investment Manager will not be responsible, and shall have no liability, if the execution of the underlying securities with a designated broker and, by extension, an Authorised Participant's subscription or redemption order, is not carried out due to an omission, error, failed or delayed trade or settlement on the part of the Authorised Participant or the designated broker. It is the responsibility of the Authorised Participant to arrange the trade and agree the pricing and other terms of the trade with its selected designated broker and the Investment Manager will not accept any responsibility or liability if the execution request is not achieved in the way desired by the Authorised Participant for any reason whatsoever. Should an Authorised Participant or the designated broker to which the Authorised Participant directed the underlying securities transaction default on, delay settlement of, or change the terms of, any part of the underlying securities transaction, the Authorised Participant shall bear all associated risks and costs, including costs incurred by the Company and/or the Investment Manager as a result of the delay to the underlying securities transaction. In such circumstances, the Company and the Investment Manager have the right to transact with another broker and to amend the terms of the Authorised Participant's subscription or redemption request, including the subscription price and/or redemption proceeds, to take into account the default, delay and/or the change to the terms.

*The following only applies to Funds that invest directly in KSA securities*

The Company will only accept subscriptions and pay redemptions in respect of Shares in the relevant Fund in cash.

The Company, or the Investment Manager or Electronic Order Entry Facility Operator, may delay, suspend and/or reject any directed cash subscription or any directed cash redemption request from Authorised Participants in respect of Shares in the relevant Funds if in the view of the Company, Investment Manager or Electronic Order Entry Facility Operator such requests may trigger the KSA Trading Prohibition.

The relevant Fund must, in accordance with the requirements in the KSA including the KSA T+2 Cash Settlement Requirement, have the full cash amount to cover the cost of the acquisition of Saudi listed shares in SAR in the local KSA sub-custody account with the KSA Sub-custodian in the KSA within two business days of such trade. Accordingly, each Authorised Participant requesting a subscription of Shares in the relevant Fund is required to deliver the T+2 Cash Settlement Requirement Cash Amount to cover the purchase by the relevant Fund of underlying Saudi listed shares in connection with its subscription request, for the Authorised Participant's subscription request to be a valid application. The initial T+2 Cash Settlement Requirement Cash Amount would be based on an estimated subscription price using estimated Duties and Charges. The final subscription price can be confirmed only once all the underlying Saudi listed shares required to be purchased in connection with the subscription have been acquired by the relevant Fund. If the T+2 Cash Settlement Requirement Cash Amount is not in SAR (for example if it is provided in USD), it must be subsequently converted to SAR to be remitted into the KSA for investment purposes.

In circumstances where any T+2 Cash Settlement Requirement Cash Amount paid by an Authorised Participant is subsequently determined to have been in excess of the final subscription price (including final Duties and Charges) for the relevant Shares on the Dealing Day by reference to which the subscription was effected, the excess cash amount will be held in custody on a temporary basis and will be reimbursed to the relevant Authorised Participant as soon as practicable, net of any foreign exchange transaction cost associated with converting such amount from SAR to USD (and to any other relevant currency) and repatriating such cash so that it can be paid to the Authorised Participant.

In the event that the T+2 Cash Settlement Requirement Cash Amount is insufficient to purchase all the underlying securities in connection with the subscription, the relevant Fund may not be able to acquire all the requisite underlying securities during the initial purchase and will need to carry out one or more further purchases on subsequent day(s) or rely on borrowing cash from the relevant custodian. Similarly, if restrictions under KSA laws, regulations and/or stock exchange rules, or the suspension of trading of particular KSA securities, or a delay in the remittance of SAR to the KSA restrict the relevant Fund from acquiring all the requisite underlying securities during the initial purchase (see sections above titled "QFI Regime Foreign Ownership Limits" for circumstances in which such restrictions may be triggered), the relevant Fund will also need to carry out one or more further purchases on subsequent day(s). The market risk arising from the timing of the placement of further underlying trades and any delay in trading will be borne by the Authorised Participant. In the event of any funding shortfall, the Authorised Participant would be required to deliver, in accordance with the relevant Fund's stated timeline and procedure (available from the Administrator and / or on the Electronic Order Entry Facility, as defined in the section entitled "Procedure for dealing on the primary market"), additional sums to make up any funding shortfall to enable further purchases to be made until all the requisite underlying KSA securities have been acquired for the relevant Fund. In order to reduce the risk of an Authorised Participant having to pay a funding shortfall and to protect the relevant Fund and its Shareholders, a buffer to cover expected market and foreign exchange volatility will be added to estimated Duties and Charges in the T+2 Cash Settlement Requirement Cash Amount and any additional sums payable by the Authorised Participant to cover a funding shortfall. In circumstances where additional sums are payable by an Authorised Participant to cover a funding shortfall after the Authorised Participant has received Shares subscribed in the relevant Fund, the relevant Fund will have a credit exposure as an unsecured creditor in respect of such additional sums.

The foreign exchange transaction costs associated with conversions made in relation to subscriptions and redemptions and the risk of a potential difference between the USD and SAR (and any other relevant currency in which subscriptions and redemptions are accepted from time to time) will be borne by the relevant Authorised Participant and included in the final Duties and Charges which are applied to the relevant subscription or redemption amounts paid or received (respectively) by such Authorised Participant. Authorised Participants should note that no interest will accrue on the relevant Reimbursement Amount and interest shall therefore not be payable by the relevant Fund to the relevant Authorised Participant in respect of any such amount.

In the event that an Authorised Participant fails to deliver the T+2 Cash Settlement Requirement Cash Amount in full within the stated time for the relevant Fund (available from the Administrator and/or on the Electronic Order Entry Facility), the subscription application shall not be valid and the Company and/or Investment Manager reserves the right (but shall not be obliged) to reject or cancel the relevant subscription application. In the event that a subscription application is not accepted, any subscription amount already paid by the Authorised Participant to the relevant Fund will be returned to the Authorised Participant (without any interest and less any foreign exchange transaction cost and other transaction costs incurred).

*Clearing and Settlement*

Authorised Participants' title and rights relating to Shares in the Funds will be determined by the clearance system through which they settle and/or clear their holdings. Shares in the Funds will settle through the relevant International Central Securities Depositaries and the Common Depositary's Nominee will act as the registered holder of all such Shares. For further details, see the section "Global Clearing and Settlement" below.

**PRIMARY MARKET DEALING TIMETABLE**

| **Fund Name** | **Fund Valuation Point on DD*** | **Dealing request cut off on DD (Cash/Market Trade dealings and In Kind FOP/OTC DVP dealings)**<br><br>(or, in exceptional circumstances, such later time as approved by the Manager in its absolute discretion)**<br><br>Authorised Participants should refer to the Electronic Order Entry Facility for further details. |
|---|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | 11.00 pm | 8.00 pm |
| iShares $ Corp Bond UCITS ETF | 11.00 pm | 8.00 pm |
| iShares $ Treasury Bond 0-1yr UCITS ETF | 11.00 pm | 8.00 pm |
| iShares $ Treasury Bond 1-3yr UCITS ETF | 11.00 pm | 8.00 pm |
| iShares $ Treasury Bond UCITS ETF | 11.00 pm | 8.00 pm |
| iShares € Corp Bond Large Cap UCITS ETF | 11.00 pm | 4.00 pm |
| iShares € Govt Bond 1-3yr UCITS ETF | 11.00 pm | 4.00 pm |
| iShares € High Yield Corp Bond UCITS ETF | 11.00 pm | 4.00 pm |
| iShares € Inflation Linked Govt Bond UCITS ETF | 11.00 pm | 4.00 pm |
| iShares £ Corp Bond 0-5yr UCITS ETF | 11.00 pm | 4.00 pm |
| iShares AEX UCITS ETF | 11.00 pm | 4.00 pm |
| iShares Asia Pacific Dividend UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares China Large Cap UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares Core £ Corp Bond UCITS ETF | 11.00 pm | 4.00 pm |
| iShares Core FTSE 100 UCITS ETF | 11.00 pm | 4.00 pm |
| iShares Core MSCI EM IMI UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares Core S&P 500 UCITS ETF USD (Dist) | 11.00 pm | 8.00 pm |
| iShares Euro Dividend UCITS ETF | 11.00 pm | 3.30 pm |
| iShares EURO STOXX Mid UCITS ETF | 11.00 pm | 3.30 pm |
| iShares EURO STOXX Small UCITS ETF | 11.00 pm | 3.30 pm |
| iShares Euro Total Market Growth Large UCITS ETF | 11.00 pm | 3.30 pm |
| iShares Euro Total Market Value Large UCITS ETF | 11.00 pm | 3.30 pm |

| **Fund Name** | **Fund Valuation Point on DD*** | **Dealing request cut off on DD (Cash/Market Trade dealings and In Kind FOP/OTC DVP dealings)**<br><br>(or, in exceptional circumstances, such later time as approved by the Manager in its absolute discretion)**<br><br>Authorised Participants should refer to the Electronic Order Entry Facility for further details. |
|---|---|---|
| iShares European Property Yield UCITS ETF | 11.00 pm | 3.30 pm |
| iShares FTSE 250 UCITS ETF | 11.00 pm | 4.00 pm |
| iShares Global Corp Bond UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares Global High Yield Corp Bond UCITS ETF | 11.00 pm | 8.00 pm |
| iShares MSCI AC Far East ex-Japan UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares MSCI Brazil UCITS ETF USD (Dist) | 11.00 pm | 8.00 pm |
| iShares MSCI Eastern Europe Capped UCITS ETF | 11.00 pm | 3.30 pm |
| iShares MSCI EM UCITS ETF USD (Dist) | 11.00 pm | 4.00 am*** |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | 11.00 pm | 3.30 pm |
| iShares MSCI Europe ex-UK UCITS ETF | 11.00 pm | 3.30 pm |
| iShares MSCI Japan UCITS ETF USD (Dist) | 11.00 pm | 4.00 am*** |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | 11.00 pm | 4.00 am*** |
| iShares MSCI Korea UCITS ETF USD (Dist) | 11.00 pm | 4.00 am*** |
| iShares MSCI North America UCITS ETF | 11.00 pm | 8.00 pm |
| iShares MSCI Taiwan UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares MSCI World UCITS ETF | 11.00 pm | 4.00 am*** |
| iShares UK Dividend UCITS ETF | 11.00 pm | 4.00 pm |

This Primary Market Dealing Timetable is applicable to Authorised Participants that are able to effect subscriptions and redemptions of Shares with the Company on the Primary Market. Authorised Participants should also refer to the terms of the Electronic Order Entry Facility.

"BD" means Business Day and "DD" means Dealing Day. Any application received after the cut off time on a Dealing Day will be treated as an application for the next Dealing Day.

*The Fund Valuation Point relevant to an application is the Fund Valuation Point on the Dealing Day for which that application is treated as being received.

** Dealing requests received after the cut off time for a Fund may be accepted in exceptional circumstances at the discretion of the Manager, provided always that the application is received before the Fund Valuation Point on the relevant Dealing Day for which the application is treated as being received. Applications received after the relevant Fund Valuation Point will be treated as applications for the next Dealing Day.

*** The cut off time for this Fund reflects that some, or all, of the Fund's underlying assets are traded in time zones earlier than the European time zone.

Subscription and redemption orders will normally be accepted in multiples of the minimum number of Shares set at the discretion of the Manager or the Investment Manager. Authorised Participants should refer to the Electronic Order Entry Facility for details of minimum subscription and redemption orders for the Launched Share Classes.

Earlier or later times may be determined by the Manager or the Investment Manager at their discretion with prior notice to Authorised Participants.

On the Dealing Day prior to 25 December and 1 January, dealing requests for subscriptions or redemptions must be received by the earlier of the stated dealing request cut-off and 12.00 noon.

NOTE: ALL TIME REFERENCES IN THIS DEALING TIMETABLE ARE TO GREENWICH MEAN TIME (GMT), OR BRITISH SUMMER TIME (BST), WHEN SUCH IS APPLICABLE - NOT CENTRAL EUROPEAN TIME (CET).

**Failure to Deliver**

In the event that (i) in respect of an in kind dealing resulting in a creation, an Authorised Participant fails to deliver the required Investments and Cash Component, or (ii) in relation to a cash creation, an Authorised Participant fails to deliver the required cash, or (iii) in respect of a directed cash dealing resulting in a creation, an Authorised Participant fails to deliver the required cash or its designated broker fails to deliver the underlying Investments, within the stated settlement times for the Current Funds (available on the Electronic Order Entry Facility) the Company and/or Investment Manager reserves the right (but shall not be obliged) to cancel the relevant subscription request. The Authorised Participant shall indemnify the Company for any loss suffered by the Company as a result of a failure or delay by the Authorised Participant to deliver the required Investments and Cash Component or cash and, for directed cash dealings resulting in creations, any loss suffered by the Company as a result of a failure by the designated broker to deliver the required underlying Investments, within the stated settlement times, including (but not limited to) any market exposure, interest charges and other costs suffered by the Fund. The Company reserves the right to cancel the provisional allotment of the relevant Shares in those circumstances.

The Directors may, in their sole discretion where they believe it is in the best interests of a Fund, decide not to cancel a subscription and provisional allotment of Shares where an Authorised Participant has failed to deliver the required Investment and Cash Component or cash and/or, for directed cash subscriptions, the designated broker has failed to deliver the required underlying Investments, within the stated settlement times. The Company may temporarily borrow an amount equal to the subscription and invest the amount borrowed in accordance with the investment objective and policies of the relevant Fund. Once the required Investments and Cash Component or cash has been received, the Company will use this to repay the borrowings. The Company reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Company as a result of this borrowing. Where a designated broker under a directed cash subscription fails or delays in delivering the required underlying securities, the Company and its Investment Manager has a right to transact with a different broker and to charge the relevant Authorised Participant for any interest or other costs incurred by the Company relating to the failed and new transactions. If the Authorised Participant fails to reimburse the Company for those charges, the Company and/or Investment Manager will have the right to sell all or part of the applicant's holdings of Shares in the Fund or any other Fund of the Company in order to meet those charges.

A redemption request by an Authorised Participant will only be valid if the Authorised Participant satisfies its settlement obligation to deliver holdings in the required number of Shares in that Fund to the Administrator for settlement in the relevant International Central Securities Depositary by the relevant settlement date. In the event an Authorised Participant fails to deliver the required Shares of the relevant Fund in relation to a redemption within the stated settlement times for the Current Funds (available on the Electronic Order Entry Facility), the Company and/or Investment Manager reserves the right (but shall not be obliged) to treat this as a settlement failure by the Authorised Participant and to cancel the relevant redemption order, and the Authorised Participant shall indemnify the Company for any loss suffered by the Company as a result of a failure by the Authorised Participant to deliver the required Shares in a timely fashion, including (but not limited to) any market exposure and costs suffered by the Fund.

In the event that an Authorised Participant is liable to reimburse a Fund in respect of Duties and Charges (e.g. for any shortfall in the sum paid to the Fund on a subscription or any excess redemption proceeds received from the Fund on a redemption), the Company reserves the right to charge the relevant Authorised Participant for any interest or other costs incurred by the Company as a result of the Authorised Participant's failure to reimburse the Fund in a timely manner after receiving notice of the sum payable.

# PROCEDURE FOR DEALING ON THE SECONDARY MARKET

Shares may be purchased or sold on the Secondary Market by all investors through a relevant recognised stock exchange on which the Shares are admitted to trading, or OTC.

It is expected that the Shares of the Funds will be listed on one or more recognised stock exchanges. The purpose of the listing of the Shares on recognised stock exchanges is to enable investors to purchase and sell Shares on the Secondary Market, normally via a broker/dealer, in any quantity over a minimum of one Share. In accordance with the requirements of the relevant recognised stock exchange, market-makers (which may or may not be Authorised Participants) are expected to provide liquidity and bid and offer prices to facilitate the Secondary Market trading of the Shares.

All investors wishing to purchase or sell Shares of a Fund on the Secondary Market should place their orders via their broker. Orders to purchase Shares in the Secondary Market through the recognised stock exchanges, or OTC, may incur brokerage and/or other costs which are not charged by the Company and over which the Company and the Manager has no control. Such charges are publicly available on the recognised stock exchanges on which the Shares are listed or can be obtained from stockbrokers.

Investors may redeem their Shares through an Authorised Participant by selling their Shares to the Authorised Participant (directly or through a broker).

The price of any Shares traded on the Secondary Market will be determined by the market and prevailing economic conditions which may affect the value of the underlying assets. The market price of a Share listed or traded on a stock exchange may not reflect the Net Asset Value per Share of a Fund.

The Secondary Market dealing timetable depends upon the rules of the exchange upon which the Shares are dealt or the terms of the OTC trade. Please contact your professional advisor or broker for details of the relevant dealing timetable.

**Secondary Market Redemptions**

**As a UCITS ETF, a Fund's Shares purchased on the secondary market cannot usually be sold directly back to the Fund by investors who are not Authorised Participants. Investors who are not Authorised Participants must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees and additional taxes in doing so. In addition, as the market price at which the Shares are traded on the secondary market may differ from the Net Asset Value per Share, investors may pay more than the then current Net Asset Value per Share when buying shares and may receive less than the current Net Asset Value per Share when selling them.**

An investor (that is not an Authorised Participant) shall have the right, subject to compliance with relevant laws and regulations, to request that the Manager buys back its Shares in respect of a Fund in circumstances where the Manager has determined in its sole discretion that the Net Asset Value per Share of the Fund differs significantly to the value of a Share of the Fund traded on the Secondary Market, for example, where no Authorised Participants are acting, or willing to act, in such capacity in respect of the Fund (a "Secondary Market Disruption Event").

If, in the view of the Manager, a Secondary Market Disruption Event exists, the Manager will issue a "Non-AP Buy-Back Notice" and stock exchange announcement(s) containing the terms of acceptance, minimum redemption amount and contact details for the buy-back of Shares.

The buy-back of Shares will be subject to the provisions of the Articles including, without limitation, provisions relating to temporary suspension of the valuation of Shares and the procedure where redemption requests on a Dealing Day amount to Shares representing 10% or more of the Net Asset Value of a Fund. The Manager's agreement to buy back any Shares is conditional on the Shares being delivered back into the account of the transfer agent at the relevant International Central Securities Depositary (or transfer agent at the relevant Central Securities Depositary (CSD) depending on the settlement model for the relevant Shares) and relevant confirmations given by the Common Depositary. The redemption request will be accepted only on delivery of the Shares.

Shares bought back from an investor who is not an Authorised Participant will be redeemed in cash, except where the buy-back request is in respect of Shares representing 5% or more of the Net Asset Value of a Fund, the Directors may, in their sole discretion redeem the Shares by way of a redemption in kind and in such circumstances the Directors will, if requested by the investor, sell the Investments on behalf of the investor. (The cost of the sale can be charged to the investor). Payment is subject to the investor having first completed any required identification and anti-money laundering checks. In kind redemptions may be available at an investor's request at the Manager's absolute discretion.

Redemption orders will be processed on the Dealing Day on which the Shares are received back into the account of the transfer agent by the dealing cut-off time less any applicable Duties and Charges and other reasonable administration costs, provided that the completed buy-back request has also been received.

The Manager may at its complete discretion determine that the Secondary Market Disruption Event is of a long term nature and is unable to be remedied. In that case the Manager may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

Any investor requesting a buyback of its shares in case of a Secondary Market Disruption Event may be subject to taxes as applicable, including any capital gains taxes or transaction taxes. Therefore, it is recommended that prior to making such a request, the investor seeks professional tax advice in relation to the implications of the buyback under the laws of the jurisdiction in which they may be subject to tax.

## GENERAL INFORMATION ON DEALINGS IN THE COMPANY

*(a) Initial Offer of Shares – Clearing and Settlement Structure*

Shares in the Fund listed in the Primary Market Initial Dealing Timetable above will initially be offered during the initial offer period (which period may be shortened, extended, changed to an earlier date, or changed to a later date by the Directors) and at a price per Share specified in that timetable.

Account Opening Forms for first time applicants and dealing requests must be received during the initial offer period to receive the initial offer price. Arrangements must also be made by that date for the settlement of the transfer of Investments and cash payments within the settlement times available on the Electronic Order Entry Facility (which can range from one to four Business Days).

Please refer to the Primary Market Initial Dealing Timetable for details of when it is expected that trading in the Shares of the Fund listed in that timetable will commence. The Shares will be admitted to trading upon issue.

Shares in the Current Share Classes of those Funds that are not listed in the Primary Market Initial Dealing Timetable above which are not Launched Share Classes as at the date of this Prospectus (please see pages 17 to 21) will initially be offered between 9.00a.m. (Irish time) on 28 October 2020 and 12.00 noon (Irish time) on 28 April 2021 (which period may be shortened, extended, changed to an earlier date, or changed to a later date by the Directors) and at a fixed price per Share of 5 units of the relevant currency (e.g. USD5) or such other amount determined by the Investment Manager at the relevant time and communicated to investors prior to investment.

The Shares of the Funds comprising Current Share Classes are normally listed on the Official List of the UKLA. Launched Share Classes may be listed on the Official List of the UKLA or an alternative stock exchange (please refer to www.ishares.com for details).

Shares will be issued for a price to be satisfied in cash or in kind, together with any applicable Duties and Charges. The initial Portfolio Composition File will be available upon request from the Administrator.

*(b) Title to Shares*

As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. Shares will be held by the Common Depositary's Nominee (as registered holder) in registered form. Only persons appearing on the register of Shareholders (i.e. the Common Depositary's Nominee) will be a Shareholder. Fractional Shares will not be issued. No temporary documents of title or Share certificates will be issued (save as provided below). A trade confirmation will be sent by the Administrator to the Authorised Participants.

Shares in the Funds may be issued in or converted to dematerialised (or uncertificated) form. In such circumstances, the relevant Funds will apply for admission for clearing and settlement through an appropriate Recognised Clearing System. As the Company is an Irish company, the operation of a Recognised Clearing System in respect of any dematerialised Shares would be governed by the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996.

*(c) Global Clearing And Settlement*

The Directors have resolved that Shares in the Funds will not currently be issued in dematerialised (or uncertificated) form and no temporary documents of title or share certificates will be issued, other than the Global Share Certificate required for the International Central Securities Depositaries (being the Recognised Clearing Systems through which the Funds' Shares will be settled). The Funds have applied for admission for clearing and settlement through the applicable International Central Securities Depositary. The International Central Securities Depositaries for the Funds currently are Euroclear and Clearstream and the applicable International Central Securities Depositary for an investor is dependent on the market in which the Shares are traded. All Shares in the Funds will ultimately settle in an International Central Securities Depositary but interests could be held through Central Securities Depositaries. A Global Share Certificate in respect of each of the Funds or, where applicable, each Share class thereof will be deposited with the Common Depositary (being the entity nominated by the International Central Securities Depositaries to hold the Global Share Certificate) and registered in the name of the Common Depositary's Nominee (being the registered holder of the Shares of the Funds, as nominated by the Common Depositary) on behalf of Euroclear and Clearstream and accepted for clearing through Euroclear and Clearstream. Interests in the Shares represented by the Global Share Certificates will be transferable in accordance with applicable laws and any rules and procedures issued by the International Central Securities Depositaries. Legal title to the Shares of the Funds will be held by the Common Depositary's Nominee.

A purchaser of interests in Shares in the Funds will not be a registered Shareholder in the Company, but will hold an indirect beneficial interest in such Shares and the rights of such investors, where they are Participants, shall be governed by their agreement with their International Central Securities Depositary or, where they are not Participants, shall be governed by their arrangement with their respective nominee, broker or Central Securities Depositary (as appropriate) which may be a Participant or have an arrangement with a Participant. All references herein to actions by holders of the Global Share Certificate will refer to actions taken by the Common Depositary's Nominee as registered Shareholder following instructions from the applicable International Central Securities Depositary upon receipt of instructions from its Participants. All references herein to distributions, notices, reports, and statements to such Shareholder, shall be distributed to the Participants in accordance with such applicable International Central Securities Depositary's procedures.

**International Central Securities Depositaries**

All Shares in issue in the Funds or, where applicable, each Share Class thereof are represented by a Global Share Certificate and the Global Share Certificate is held by the Common Depositary and registered in the name of the Common Depositary's Nominee on behalf of an International Central Securities Depositary. Beneficial interests in such Shares will only be transferable in accordance with the rules and procedures for the time being of the relevant International Central Securities Depositary.

Each Participant must look solely to its International Central Securities Depositary for documentary evidence as to the amount of its interests in any Shares. Any certificate or other document issued by the relevant International Central Securities Depositary, as to the amount of interests in such Shares standing to the account of any person shall be conclusive and binding as accurately representing such records.

Each Participant must look solely to its International Central Securities Depositary for such Participant's share of each payment or distribution made by the Company to or on the instructions of the Common Depositary's Nominee and in relation to all other rights arising under the Global Share Certificate. The extent to which, and the manner in which, Participants may exercise any rights arising under the Global Share Certificate will be determined by the respective rules and procedures of their International Central Securities Depositary. Participants shall have no claim directly against the Company, the Paying Agent or any other person (other than their International Central Securities Depositary) in respect of payments or distributions due under the Global Share Certificate which are made by the Company to or on the instructions of the Common Depositary's Nominee and such obligations of the Company shall be discharged thereby. The International Central Securities Depositary shall have no claim directly against the Company, Paying Agent or any other person (other than the Common Depositary).

The Company or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Shares of the Funds; (b) the identity of any other person or persons then or previously interested in such Shares; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Company with applicable laws or the constitutional documents of the Company.

The Company or its duly authorised agent may from time to time request the applicable International Central Securities Depositary to provide the Company with certain details in relation to Participants that hold interests in Shares in each Fund including (but not limited to): ISIN, ICSD Participant name, ICSD Participant type – e.g. fund/bank/individual, residence of ICSD Participants, number of ETFs and holdings of the Participant within Euroclear and Clearstream, as appropriate, including which Funds, types of Shares and the number of interests in the Shares held by each such Participant, and details of any voting instructions given by each such Participant. Euroclear and Clearstream Participants which are holders of interests in Shares or intermediaries acting on behalf of such holders agree to Euroclear and Clearstream, pursuant to the respective rules and procedures of Euroclear and Clearstream, disclosing such information to the Company or its duly authorised agent. Similarly, the Company or its duly authorised agent may from time to time request any Central Securities Depositary to provide the Company with details in relation to Shares in each Fund or interests in Shares in each Fund held in each Central Securities Depositary and details in relation to the holders of those Shares or interests in Shares, including (without limitation) holder types, residence, number and types of holdings and details of any voting instructions given by each holder. Holders of Shares and interests in Shares in a Central Securities Depositary or intermediaries acting on behalf of such holders agree to the Central Securities Depositary (including Euroclear UK & Ireland (the CREST system), SIX SIS Ltd and Monte Titoli), pursuant to the respective rules and procedures of the relevant Central Securities Depositary, disclosing such information to the Company or its duly authorised agent.

Investors may be required to provide promptly any information as required and requested by the Company or its duly authorised agent, and agree to the applicable International Central Securities Depositary providing the identity of such Participant or investor to the Company or its duly authorised agent upon request.

Notices of general meetings and associated documentation will be issued by the Company to the registered holder of the Global Share Certificate, the Common Depositary's Nominee. Each Participant must look solely to its International Central Securities Depositary and the rules and procedures for the time being of the relevant International Central Securities Depositary governing delivery of such notices and exercising voting rights. For investors, other than Participants, delivery of notices and exercising voting rights shall be governed by the arrangements with a Participant of the International Central Securities Depositary (for example, their nominee, broker or Central Securities Depositories, as appropriate).

**Exercise of Voting Rights through the International Central Securities Depositaries**

The Common Depositary's Nominee has a contractual obligation to promptly notify the Common Depositary of any Shareholder meetings of the Company and to relay any associated documentation issued by the Company to the Common Depositary, which, in turn, has a contractual obligation to relay any such notices and documentation to the relevant International Central Securities Depositary. Each International Central Securities Depositary will, in turn, relay notices received from the Common Depositary to its Participants in accordance with its rules and procedures. The Directors understand that, in accordance with their respective rules and procedures, each International Central Securities Depositary is contractually bound to collate and transfer all votes received from its Participants to the Common Depositary and the Common Depositary is, in turn, contractually bound to collate and transfer all votes received from each International Central Securities Depositary to the Common Depositary's Nominee, which is obligated to vote in accordance with the Common Depositary's voting instructions. Investors who are not Participants in a relevant International Central Securities Depositary would need to rely on their broker,

nominee, custodian bank or other intermediary which is a Participant, or which has an arrangement with a Participant, in a relevant International Central Securities Depositary to receive any notices of Shareholder meetings of the Company and to relay their voting instructions to the relevant International Central Securities Depositary.

*(d) Anti-money laundering identification*

The Administrator and/or Company reserves the right to request further details from an Authorised Participant and the Common Depositary's Nominee in order to verify their respective identities. Any such party must notify the Administrator of any change in their details and furnish the Company with whatever additional documents relating to such change as it may request. Amendments to a party's registration details and payment instructions will only be effected upon receipt by the Administrator of original documentation. Failure to provide requested information or notify the Administrator or the Company of any change in details may result in a request for subscription or redemption of shares by such party not being accepted or processed until such time as satisfactory verification of identity is received.

Measures aimed at the prevention of money laundering may require an applicant to provide verification of identity to the Company. This obligation arises unless (i) the application is being made through a recognised financial intermediary; or (ii) payment is made through a banking institution, which in either case is in a country with money laundering regulations equivalent to those in Ireland.

The Company will specify what proof of identity is required, including but not limited to a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in their country of residence, together with evidence of the applicant's address, such as a utility bill or bank statement. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), by-laws, memorandum and articles of association (or equivalent), and the names and addresses of all directors and beneficial owners.

It is further acknowledged that the Company, the Investment Manager, the Electronic Order Entry Facility Operator and the Administrator shall be indemnified by the Authorised Participant applicant against any loss arising as a result of a failure to process the subscription if information that has been requested by the Company has not been provided by the applicant.

*(e) Switching*

Switching of Shares from one Fund to another Fund is not available to investors trading on the Secondary Market.

Authorised Participants wishing to switch from one Fund to another Fund on the Primary Market would generally need to redeem or sell their Shares in the Fund and subscribe or purchase Shares in the other Fund.

Where permitted by the Articles, and subject to the prior approval of the Manager, a holder of Shares in a Share Class of a Fund may switch all or some of their Shares of a Share Class of a Fund (the "Original Shares") for Shares of another Share Class in the same Fund (the "New Shares"). Such switching requests may be submitted by Authorised Participants through the Electronic Order Entry Facility, in accordance with the provisions of the "Procedure for Dealing on the Primary Market" section above. Investors which are not Authorised Participants may only submit switching requests via Authorised Participants.

The number of New Shares issued will be determined by reference to the respective prices of New Shares and Original Shares at the Valuation Points applicable at the time the Original Shares are repurchased and the New Shares are issued, after deducting the costs of undertaking the switch.

No switches will be made during any period in which the rights of Shareholders to deal in the Shares of the relevant Fund are suspended. Switching requests may be submitted by Authorised Participants through the Electronic Order Entry Facility before the cut off time for the Original Shares and the New Shares (see the dealing timetable above for dealing request cut off times). Any applications received after the applicable time will normally be held over until the next Dealing Day but may be accepted in exceptional circumstances for dealing on the relevant Dealing Day at the discretion of the Manager provided they are received prior to the Valuation Point.

The number of New Shares to be issued will be calculated in accordance with the following formula:

$$A + B = \frac{C \times (D-E)}{F}$$

Where:

| | |
|---|---|
| **A =** | **number of New Shares to be allocated** |
| B = | balancing cash amount |
| C = | number of Original Shares switched |
| D = | redemption price per Original Share on the relevant Dealing Day |
| E = | the transaction costs incurred as a result of the switching trade, as calculated at the Manager's absolute discretion |
| F = | subscription price per New Share on the relevant Dealing Day |

As a result of a switch, an Authorised Participant will in almost all circumstances be entitled to a fraction of a New

Share. As Shares cannot be issued in fractional amounts, the value of the fraction of the New Share will be paid to / received from (as appropriate) the Authorised Participant by the Company.

*(f) Transfer of Shares*

All transfers of Shares shall be effected by transfer in writing in any usual or common form and every form of transfer shall state the full name and address of the transferor (i.e. the seller of Shares) and the transferee (i.e. the purchaser of Shares). The instrument of transfer of a Share shall be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof.

To the extent Shares are issued in dematerialised form, such Shares may also be transferred in accordance with the rules of the relevant Recognised Clearing System Persons dealing in Recognised Clearing Systems may be required to provide a representation that any transferee is a Qualified Holder. The Directors may decline to register any transfer of Shares to any person or entity that is not a Qualified Holder.

If in consequence of a transfer the transferor or transferee would hold less than the relevant minimum holding, if there is such a minimum holding, or would otherwise infringe the restrictions on holding Shares outlined above or if the transfer might result in the Company incurring any liability to taxation or suffering pecuniary disadvantages which the Company might not otherwise have incurred or suffered, or the Company being required to register under the 1940 Act (or similar successor statute), or to register any class of Shares under the 1933 Act (or similar successor statute) the Directors may decline to register the transfer of a Share to such person. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided always that such registration shall not be suspended for more than thirty days in any year. The Directors may decline to register any transfer of Shares unless the instrument of transfer is deposited at the registered office of the Company or at such other place as the Directors may reasonably require together with such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferee will be required to complete an Account Opening Form which includes a declaration that the proposed transferee is not a US Person or is acquiring Shares on behalf of a US Person.

*(g) Confirmations*

A written confirmation of trade will be sent to the Authorised Participant following the Dealing Day. Shares will not normally be issued until such time as the Company is satisfied with all the information and documentation required to identify the applicant and is satisfied that the relevant Investments and Cash Component for in kind subscriptions or cash for cash subscriptions (including directed cash subscriptions) have been received by it.

*(h) Mandatory Redemption of Shares*

Investors are required to notify the Company immediately in the event that they cease to be Qualified Holders. Investors who cease to be Qualified Holders will be required to dispose of their Shares to Qualified Holders on the next Dealing Day thereafter unless the Shares are held pursuant to an exemption which would allow them to hold the Shares. The Company reserves the right to redeem or require the transfer of any Shares which are or become owned, directly or indirectly, by a non-Qualified Holder. If any investor or beneficial owner of any Shares fails to disclose information requested by the Company regarding such investor or beneficial owner and, due to such non-disclosure or inadequate disclosure, the Directors believe that there is an issue regarding such person being a non-Qualified Holder, the Company shall have the right to redeem or require the transfer (in accordance with the provisions of the Articles) of the Shares held by or for the benefit of such person.

If the Company becomes aware that any Shares are or might be held by a person who is not a Qualified Holder it may redeem such Shares on notice in writing to the investor concerned. The Investments which would otherwise have been transferred to the investor will be liquidated and the investor will receive the proceeds less any costs incurred. In addition, the Company may impose a penalty to compensate or indemnify the Company, the Manager and the Investment Manager for any loss the Company has suffered (or may suffer) in respect of the holding of Shares by or on behalf of such non-Qualified Holder. The Company shall also have the right to require any person breaching the provisions of the Prospectus to indemnify the Company, the Manager and the Investment Manager from any losses or claims suffered or incurred by any of them in connection with such breach. Such amount may be deducted from the redemption proceeds.

In circumstances where a Fund is unable to replicate the relevant Benchmark Index and unable to substitute another index for the Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate a Fund.

In circumstances where it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

In circumstances where the Directors consider compulsory redemption to be in the interests of the Company, a Fund or the investors of a Fund, the Directors may resolve to compulsorily redeem investors and may subsequently terminate the Fund.

The Company shall have the right to redeem, without the imposition of any penalty on the Company, Shares of a particular Share Class:

(i) where the holders of Shares approve of the redemption of the Shares of the relevant class by way of written resolution or where not less than 75% of the votes cast approve of the redemption of the Shares at a general meeting of the relevant Share Class, of which not more than twelve and not less than four weeks' notice has been given;
(ii) at the discretion of the Directors, after the first anniversary of the first issue of Shares of the relevant Share Class if the Net Asset Value of the relevant Share Class falls below Stg£100,000,000 or, in the case of a Currency Hedged Share Class, below Stg£2,000,000;
(iii) at the discretion of the Directors, if the Share Class ceases to be listed on a recognised stock exchange;
(iv) at the discretion of the Directors provided that Shareholder notice of not less than four and not more than six weeks has been given that all of the Shares in that Share Class shall be redeemed by the Company.

If within 90 days from the date of the Depositary serving notice of termination of the Depositary Agreement another depositary acceptable to the Company and the Central Bank has not been appointed to act as depositary, the Company shall serve notice on all holders of its intention to redeem all Shares then in issue on the date specified in such notice, which date shall not be less than one month nor more than three months after the date of service of such notice.

*(i) Temporary Suspension of Valuation of the Shares and of Sales, Redemptions and Switching*

The Company may temporarily suspend the determination of the Net Asset Value and the issue, switching and/or redemption of Shares in the Company or any Fund during:

(i) any period (other than ordinary holiday or customary weekend closings) when any of the principal markets on which any significant portion of the Investments of the relevant Fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange or market is restricted or suspended;
(ii) any period when circumstances exist as a result of which any disposal or valuation of Investments of the Company or the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being seriously detrimental to the interests of owners of Shares in general or owners of Shares of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value cannot fairly be calculated or such disposal would be materially prejudicial to the owners of Shares in general or owners of Shares of the relevant Fund;
(iii) any period when there is any breakdown in the means of communication normally employed in determining the price of any of the Company's or a Fund's Investments or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot be reasonably, promptly or accurately ascertained;
(iv) any period during which the Company is unable to repatriate funds required for the purpose of making redemption payments due or when such payments or the acquisition or realisation of Investments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which there are difficulties or it is envisaged that there will be difficulties, in the transfer of monies or assets required for subscriptions, redemptions or trading;
(v) any period when the proceeds of the sale or redemption of Shares cannot be transmitted to or from the Company or the Fund's account;
(vi) upon the publication of a notice convening a general meeting of the Company for the purposes of resolving to wind up the Company or terminate a Fund or Share Class;
(vii) any period when it is or becomes impossible or impractical, for example from a cost, risk or operational perspective to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in stocks comprised within the particular Benchmark Index;
(viii) any period in which a counterparty with which the Company has entered into a swap transaction is unable to make any payment due or owing under the swap, including where it is unable to repatriate or exchange at a reasonable rate the proceeds of its underlying hedge;
(ix) any period when the Directors, in their discretion, consider suspension to be in the interests of the Company, a Fund or the Shareholders of a Fund; or
(x) any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Fund or of the Company.

Any such suspension shall be published by the Company in such manner as it may deem appropriate to the persons likely to be affected thereby, and shall be notified immediately (and in any event during the Business Day on which the suspension took place) to the Central Bank and to the competent authorities in the Member States in which the Shares are marketed. Where practicable, the Company shall take all reasonable steps to bring such a suspension to an end as soon as possible.

No Shares of a Fund will be issued or allotted during a period when the determination of the Net Asset Value of that Fund is suspended.

*(j) Termination of a Fund*

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depositary in any of the following events:

(i) if at any time the Net Asset Value of the relevant Fund falls below Stg£100,000,000;
(ii) if any Fund shall cease to be authorised or otherwise officially approved; or

(iii) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
(iv) if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of the Fund; or
(v) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions (including a Secondary Market Disruption Event) and the best interests of the Shareholders; or
(vi) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, to enter into, continue with or maintain FDI relating to the Benchmark Index for the relevant Fund or to invest in securities comprised within the particular Benchmark Index; or
(vii) if the Directors shall have resolved that it is or becomes impossible or impractical, for example from a cost, risk or operational perspective, for a Fund to track or replicate the relevant Benchmark Index and / or to substitute another index for the Benchmark Index.

The Directors shall give notice of termination of a Fund or a Share Class to the Common Depositary's Nominee, and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.

With effect on and from the date as at which any Fund is to terminate or in the case of (i) below such other date as the Directors may determine:

(i) no Shares of the relevant Fund may be issued or sold by the Company;
(ii) the Investment Manager or sub-investment manager shall, on the instructions of the Directors, realise all the assets then comprised in the relevant Fund (which realisation shall be carried out and completed in such manner and within such period after the termination of the relevant Fund as the Directors think advisable);
(iii) the Depositary shall, on the instructions of the Directors from time to time, distribute to the Shareholders in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund and available for the purpose of such distribution, provided that the Depositary shall be entitled to retain out of any monies in its hands as part of the relevant Fund provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Depositary or the Directors in connection with or arising out of the termination of the relevant Fund and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands; and
(iv) Every such distribution referred to at (iii) above shall be made in such manner as the Directors shall, in their sole and absolute discretion, determine upon delivery to the Depositary of such form of request for payment as the Depositary shall in its absolute discretion require. Any payment of unclaimed proceeds or other cash will be made in accordance with the requirements of the Central Bank.

The Directors shall have the power to propose and implement a reconstruction and/or amalgamation of the Company or any Fund(s) on such terms and conditions as are approved by the Directors subject to the following conditions namely:

(i) that the prior approval of the Central Bank has been obtained; and
(ii) that the holders of Shares in the relevant Fund or Funds have been circulated with particulars of the scheme of reconstruction and/or amalgamation in a form approved by the Directors and a special resolution of the holders of Shares in the relevant Fund or Funds has been passed approving the said scheme.

The relevant scheme of reconstruction and/or amalgamation shall take effect upon such conditions being satisfied or upon such later date as the scheme may provide or as the Directors may determine whereupon the terms of such scheme shall be binding upon all the Shareholders and the Directors shall have the power to and shall do all such acts and things as may be necessary for the implementation thereof.

*(k) Seeding Arrangements*

The Investment Manager may place a Fund that is below scale into a seeding programme. Under such programme, the Investment Manager and the Affiliates may pay a seeding fee to investors and market participants who commit to invest a minimum amount of investment capital, and to hold such investment for an agreed time period, to grow or regrow such Fund to scale. Any seeding fees paid by the Investment Manager and the Affiliates will be borne by the Investment Manager and the Affiliates respectively and will not be charged to the relevant Fund or to the Company as an extra cost. The Investment Manager believes that putting in place such a programme to grow small-sized Funds will give rise to benefits for other investors in such Funds.

Companies of the BlackRock Group and/or other collective investment schemes or segregated mandates managed by them may also provide seeding services to the Funds under the seeding programme.

**Operation of the Subscription and Redemption Collection Account**

All subscriptions into and redemptions and distributions due from the Funds will be paid into the Umbrella Cash Collection Account. Monies in the Umbrella Cash Collection Account, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or distributions, the relevant Authorised Participant will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscriptions amounts paid into the Umbrella Cash Collection Account, will be paid into an account in the name of the relevant Fund on the contractual settlement date. Where subscription monies are received in the Umbrella Cash Collection Account, without sufficient documentation to identify the Authorised Participant or the relevant Fund, such monies shall be returned to the relevant Authorised Participant within five (5) Business Days and as specified in the operating procedure in respect of the Umbrella Cash Collection Account.

Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Account, until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Authorised Participants.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the Umbrella Cash Collection Account, is at the Authorised Participant's risk.

The Umbrella Cash Collection Account has been opened in the name of the Company. The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account, and for ensuring that relevant amounts in the Umbrella Cash Collection Account are attributable to the appropriate Funds.

The Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the participating Funds, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of monies attributable to another Fund due to timing differences.

## FUND EXPENSES

The Company employs an "all in one" fee structure for its Funds (and Share Classes). Each Fund pays all of its fees, operating costs and expenses (and its due proportion of any costs and expenses of the Company allocated to it) as a single flat fee (the "Total Expense Ratio" or "TER"). Where a Fund has multiple Share Classes, any fees, operating costs and expenses which are attributable to a particular Share Class (rather than the entire Fund) will be deducted from the assets notionally allocated by the Fund to that Share Class. Expenses paid out of the TER include, but are not limited to, fees and expenses paid to the Manager, regulators and auditors and certain legal expenses of the Company, but exclude transaction costs and extraordinary legal costs. The Total Expense Ratio for a Fund or Share Class is calculated and accrued daily from the current Net Asset Value of the relevant Fund or Share Class as follows and shall be payable monthly in arrears:

| **Fund** | **Fund / Share Classes** | **TER** |
|---|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | Unhedged Share Classes | 0.25% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares $ Corp Bond UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares $ Treasury Bond 0-1yr UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares $ Treasury Bond 1-3yr UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares $ Treasury Bond UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares € Corp Bond Large Cap UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares € Govt Bond 1-3yr UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares € High Yield Corp Bond UCITS ETF | Unhedged Share Classes | 0.50% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares € Inflation Linked Govt Bond UCITS ETF | Unhedged Share Classes | 0.25% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares £ Corp Bond 0-5yr UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares AEX UCITS ETF | Unhedged Share Classes | 0.30% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Asia Pacific Dividend UCITS ETF | Unhedged Share Classes | 0.59% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares China Large Cap UCITS ETF | Unhedged Share Classes | 0.74% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core £ Corp Bond UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core FTSE 100 UCITS ETF | Unhedged Share Classes | 0.07% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core MSCI EM IMI UCITS ETF | Unhedged Share Classes | 0.18% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Core S&P 500 UCITS ETF USD (Dist) | Unhedged Fund | 0.07% |
| iShares Euro Dividend UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares EURO STOXX Mid UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares EURO STOXX Small UCITS ETF | Unhedged Share Classes | 0.40% |

| Fund | Fund / Share Classes | TER |
|---|---|---|
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Euro Total Market Growth Large UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Euro Total Market Value Large UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares European Property Yield UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares FTSE 250 UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Global Corp Bond UCITS ETF | Unhedged Share Classes | 0.20% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares Global High Yield Corp Bond UCITS ETF | Unhedged Share Classes | 0.50% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI AC Far East ex-Japan UCITS ETF | Unhedged Share Classes | 0.74% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Brazil UCITS ETF USD (Dist) | Unhedged Fund | 0.74% |
| iShares MSCI Eastern Europe Capped UCITS ETF | Unhedged Share Classes | 0.74% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI EM UCITS ETF USD (Dist) | Unhedged Fund | 0.18% |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | Currency Hedged Fund | 0.40% |
| iShares MSCI Europe ex-UK UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Japan UCITS ETF USD (Dist) | Unhedged Fund | 0.59% |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | Currency Hedged Fund | 0.64% |
| iShares MSCI Korea UCITS ETF USD (Dist) | Unhedged Fund | 0.74% |
| iShares MSCI North America UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI Taiwan UCITS ETF | Unhedged Share Classes | 0.74% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares MSCI World UCITS ETF | Unhedged Share Classes | 0.50% |
| | Currency Hedged Share Classes | Up to 1.00%* |
| iShares UK Dividend UCITS ETF | Unhedged Share Classes | 0.40% |
| | Currency Hedged Share Classes | Up to 1.00%* |

* For the current TER charged on each Share Class please refer to its KIID and/or the product pages of the website at www.ishares.com.

The Manager is responsible for discharging all operational expenses, including but not limited to fees and expenses of the Directors, Investment Manager, Depositary and Administrator from the amounts received by the Manager from the Total Expense Ratio. Such operational expenses include regulatory and audit fees but exclude transaction costs and extraordinary legal costs. Directors' fees will not exceed the sum of €40,000 per annum per Director without the approval of the Board of Directors. The BlackRock Group employees serving as Directors of the Company or the Manager are not entitled to receive Directors' fees.

In the event the costs and expenses of a Fund or Share Class that are intended to be covered within the TER exceed the stated TER, the Manager will discharge any excess amounts out of its own assets. The establishment costs of the Company have been, and the establishment costs of the Current Funds and Share Classes have been and will be, paid by the Manager.

Whilst it is anticipated that the TER borne by a Fund or Share Class shall not exceed the amounts set out above during the life of the Fund or Share Class (respectively) such amounts may need to be increased. Any such increase will be subject to the prior Shareholder approval of the relevant Fund or Share Class. Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds, including their Share Classes.

To the extent a Fund undertakes securities lending to reduce costs, the Fund will receive 62.5% of the associated revenue generated from securities lending activities and the remaining 37.5% will be received by the securities lending agent which will pay for any securities lending costs out of its portion of the revenue.

Save as disclosed above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any Shares of the Company.

## DIVIDEND POLICY

The Company intends to declare dividends pursuant to this Prospectus on the Shares of the Distributing Share Classes. Dividends may be paid out of the total income of the applicable Distributing Share Class net of any relevant expenses in respect of each financial year. Dividends will normally be declared with a view to being paid either monthly, quarterly or semi-annually. No smoothing of dividends will be applied across the dividend payments in a calendar year. The dividend payment frequency for each Distributing Share Class is as follows (please refer to www.ishares.com for further information on the dividend payment dates).

Distributions will not be made in respect of Accumulating Share Classes and income and other profits will be accumulated and reinvested.

| **Fund** | **Frequency of Distributions for Distributing Funds / Share Classes** | **Months of Distributions** |
|---|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | Quarterly | March, June, September, December |
| iShares $ Corp Bond UCITS ETF | Quarterly | March, June, September, December |
| iShares $ Treasury Bond 0-1yr UCITS ETF | Semi-Annually | March, September |
| iShares $ Treasury Bond 1-3yr UCITS ETF | Semi-Annually | March, September |
| iShares $ Treasury Bond UCITS ETF | Semi-Annually | March, September |
| iShares € Corp Bond Large Cap UCITS ETF | Quarterly | March, June, September, December |
| iShares € Govt Bond 1-3yr UCITS ETF | Semi-Annually | March, September |
| iShares € High Yield Corp Bond UCITS ETF | Semi-Annually | March, September |
| iShares € Inflation Linked Govt Bond UCITS ETF | Quarterly | March, June, September, December |
| iShares £ Corp Bond 0-5yr UCITS ETF | Semi-Annually | March, September |
| iShares AEX UCITS ETF | Quarterly | March, June, September, December |
| iShares Asia Pacific Dividend UCITS ETF | Quarterly | March, June, September, December |
| iShares China Large Cap UCITS ETF | Quarterly | March, June, September, December |
| iShares Core £ Corp Bond UCITS ETF | Quarterly | March, June, September, December |
| iShares Core FTSE 100 UCITS ETF | Quarterly | March, June, September, December |
| iShares Core MSCI EM IMI UCITS ETF | Semi-Annually | March, September |
| iShares Core S&P 500 UCITS ETF USD (Dist) | Quarterly | March, June, September, December |
| iShares Euro Dividend UCITS ETF | Quarterly | March, June, September, December |
| iShares EURO STOXX Mid UCITS ETF | Quarterly | March, June, September, December |
| iShares EURO STOXX Small UCITS ETF | Quarterly | March, June, September, December |
| iShares Euro Total Market Growth Large UCITS ETF | Quarterly | March, June, September, December |
| iShares Euro Total Market Value Large UCITS ETF | Quarterly | March, June, September, December |
| iShares European Property Yield UCITS ETF | Quarterly | March, June, September, December |
| iShares FTSE 250 UCITS ETF | Quarterly | March, June, September, December |
| iShares Global Corp Bond UCITS ETF | Semi-Annually | March, September |
| iShares Global High Yield Corp Bond UCITS ETF | Semi-Annually | March, September |
| iShares MSCI AC Far East ex-Japan UCITS ETF | Quarterly | March, June, September, December |
| iShares MSCI Brazil UCITS ETF USD (Dist) | Quarterly | March, June, September, December |

| Fund | Frequency of Distributions for Distributing Funds / Share Classes | Months of Distributions |
|---|---|---|
| iShares MSCI Eastern Europe Capped UCITS ETF | Quarterly | March, June, September, December |
| iShares MSCI EM UCITS ETF USD (Dist) | Quarterly | March, June, September, December |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | Quarterly | February, May, August, November |
| iShares MSCI Europe ex-UK UCITS ETF | Quarterly | March, June, September, December |
| iShares MSCI Japan UCITS ETF USD (Dist) | Semi-Annually | January, July |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | Non-Distributing | N/A |
| iShares MSCI Korea UCITS ETF USD (Dist) | Semi-Annually | March, September |
| iShares MSCI North America UCITS ETF | Quarterly | March, June, September, December |
| iShares MSCI Taiwan UCITS ETF | Semi-Annually | March, September |
| iShares MSCI World UCITS ETF | Quarterly | March, June, September, December |
| iShares UK Dividend UCITS ETF | Quarterly | March, June, September, December |

Full details of any change to the dividend policy will be provided in an updated Prospectus or Supplement and a Shareholder notice will be issued in advance.

Any dividend which has remained unclaimed for twelve years from the date of its declaration shall be forfeited and cease to remain owing by the Company and become the property of the relevant Fund.

Dividends for Distributing Share Classes will be declared in the Valuation Currency of the relevant Share Class. Investors who wish to receive dividend payments in a currency other than the Base Currency or Valuation Currency should arrange this with the relevant International Central Securities Depositary (subject to this option being made available by the relevant International Central Securities Depositary). Any foreign exchange conversions of dividend payments are not the responsibility of the Company and are at the cost and risk of the investors.

## GENUINE DIVERSITY OF OWNERSHIP CONDITION

Shares in each of the Funds shall be widely available. The intended categories of investors for the Funds are those directly investing through the Primary Market creation mechanism as set out in this Prospectus or indirectly by investment through recognised exchanges on which the Funds' Shares are listed or through OTC transactions. Shares in the Funds shall be marketed and made available sufficiently widely to reach the intended categories of investors, and in a manner appropriate to attract those categories of investors.

# MANAGEMENT OF THE COMPANY

**The Board of Directors**

The Directors control the affairs of the Company and are responsible for the overall investment policy which will be determined by them and provided to the Manager. The Directors have delegated certain duties and responsibilities to the Manager with regards to the day-to-day management of the Company. The Manager has delegated certain of these responsibilities to the Investment Manager and the Administrator.

The Directors are all non-executive directors of the Company and their address is the registered office of the Company. The Board of Directors of the Company is as follows:

***Paul McNaughton (Irish) Chairman of the Board, Independent Non-Executive Director, member of the Nomination Committee:*** Mr McNaughton has over 30 years' experience in the Banking/Finance, Fund Management and Securities Processing Industries. In addition Mr McNaughton spent 10 years with IDA (Ireland) both in Dublin and in the USA marketing Ireland as a location for multinational investment. He went on to establish Bank of Ireland's IFSC Fund's business before joining Deutsche Bank to establish their funds business in Ireland. He was overall Head of Deutsche Bank's Offshore Funds business, including their hedge fund administration businesses primarily based in Dublin and the Cayman Islands, before assuming the role of Global Head of Deutsche's Fund Servicing business worldwide. Mr McNaughton left Deutsche Bank in August 2004 after leading the sale of Deutsche's Global Custody and Funds businesses to State Street Bank and now acts as an advisor and non-executive director for several investment companies and other financial entities in Ireland including several alternative/hedge fund entities. Mr McNaughton holds an Honours Economics Degree from Trinity College Dublin. He was the founding Chairman of the Irish Funds Industry Association ("IFIA") and a member of the Irish Government Task Force on Mutual Fund Administration. He was instrumental in the growth of the funds business in Ireland both for traditional and alternative asset classes.

***Paul McGowan (Irish) Chairman of the Audit Committee, Independent Non-Executive Director, Senior Independent Director and member of the Nomination Committee:*** Mr McGowan was a financial services tax partner in KPMG (Ireland) for more than 25 years and was Global Head of Financial Services Tax for KPMG (International). He is a former Chairman of both the Irish Funds Industry Association and the IFSC Funds Working Group. Since leaving KPMG he has held a number of non-executive directorships including Chairman of AEGON Ireland Plc and Coronation Capital Ltd and is a Director of [The names of collective investments schemes which are not approved for offer to non-qualified investors in Switzerland have been deleted]. He was appointed to the EU Arbitration Panel on transfer pricing by the Irish Government. Mr McGowan is a Fellow of the Institute of Chartered Accountants in Ireland and holds a business studies degree from Trinity College Dublin and a Diploma in Corporate Financial Management from Harvard Business School.

***Barry O'Dwyer (Irish) Non-Executive Director and member of the Nomination Committee:*** Mr O'Dwyer is a Managing Director at BlackRock. He is the Head of Funds Governance and registrations/listings for BlackRock's European open-ended fund range and is the Chief Executive Officer for BlackRock's Regulated Irish business. He serves as a director on the boards of a number of BlackRock corporate, fund, and management companies in Ireland, Luxembourg, Switzerland and Germany and on the board of BlackRock's UK Life company. He was the chairman of the Irish Funds Industry Association 2014-2015 and was a member of An Taoiseach's Financial Services Industry Advisory Committee 2015-2018. He joined BlackRock Advisors (UK) Limited in 1999 as head of risk management and moved to his present role in 2006. Prior to joining BlackRock Advisors (UK) Limited, Mr O'Dwyer worked as risk manager at Gartmore Investment Management and at HypoVereinsbank and National Westminster Bank. Mr O'Dwyer graduated from Trinity College Dublin with a degree in Business Studies and Economics in 1991. He holds a Chartered Association of Certified Accountants qualification and an MBA from London City University Business School.

***Jessica Irschick (British) Non-Executive Director:*** Ms Irschick is a Managing Director at BlackRock and is the Global Head of Institutional Index business within ETF and Index Investments. Ms Irschick is responsible for the institutional product offering, pricing, and investment strategy for Equity Indexing and for coordinating with Global Fixed Income to have a globally consistent institutional client strategy for Fixed Income Indexing. In addition, she is the Global Head of Equity Index Product Strategy.

Ms Irschick joined BlackRock in November 2016 from Bank of America Merrill Lynch, where she was the Global Head of Sales Strategy of the Equity Division, based in London. Previously, Ms Irschick was the Global Head of Treasury and Trading for Norges Bank Investment Management (NBIM) where she was responsible for Fixed Income and Equity trading, financing, securities lending and foreign exchange. Prior to her role at NBIM she worked at UBS, Morgan Stanley and Goldman Sachs for over 13 years in a variety of roles in equity trading, sales and client relationship management. Before these roles, Ms Irschick worked as the Global Head of Equity and Fixed Income trading at Wells Fargo Nikko Investment Advisors in San Francisco, one of the predecessor organisations of BlackRock. Ms Irschick started her career at Salomon Brothers, where she worked in Tokyo developing algorithms for the Fixed Income and Equity trading desks.

Ms Irschick graduated from Cornell University in 1987 with a Bachelor's degree in Operations Research and Economics.

***Ros O'Shea (Irish) Independent Non-Executive Director, member of the Audit Committee and Nomination Committee:*** Ms O'Shea is an Independent Non-Executive Director with a portfolio of board positions, including the Bank of Montreal (Ireland) plc, the Food Safety Authority of Ireland and Pieta House. She also chairs

PwC's Alumni Association in Ireland. Ros is a founding partner of Acorn Governance Solutions, a consulting firm providing advice in governance, culture, risk, compliance and business integrity and she lectures on these topics with UCD Smurfit Business School, the Institute of Directors and the Institute of Banking. Previously, Ros enjoyed a highly successful executive career with two of Ireland's largest companies: CRH plc, where she was Head of Group Compliance & Ethics and Smurfit Kappa Group plc.

Ros has first class honours bachelor and master's degrees in business from UCD, a Professional Diploma in Corporate Governance from UCD Smurfit Business School and is an associate of the Institute of Tax and a fellow of the Institute of Chartered Accountants, having trained with PwC. She is also a graduate of the Value Creation through Effective Boards programme at Harvard Business School and is a Certified Bank Director. Furthermore, Ros is the author of the book, "Leading with Integrity – a Practical Guide to Business Ethics" and is a regular contributor to news and print media on related topics.

***Deirdre Somers (Irish) Independent Non-Executive Director, member of the Audit Committee and Nomination Committee:*** Ms Somers is an Independent Non-Executive Director and Member of the Audit Committee and Nomination Committee. She was the CEO and Executive Director of the Irish Stock Exchange (ISE) from 2007 until its sale to Euronext NV in early 2018, she served as CEO of Euronext Dublin and Group Head of Debt, Funds & ETFs until September 2018. Joining the ISE in 1995, Ms Somers held various management positions, including Director of Listing (2000-2007) and Head of Policy (1995-2000), building global positions in funds and fixed income listings. She served as President of the Federation of European Securities Exchanges (FESE) from 2015-2018 and was a Member of The World Federation of Exchanges and FESE for over 20 years. Prior to joining the ISE, she specialised in international tax in KPMG from 1987-1995. She served as member of the National Council of IBEC from 2013-2018, Governor of University College Cork from 2008-2012, and a Member of the Taoiseach's Clearing House Group from 2007-2015. A Fellow of the Institute of Chartered Accountants in Ireland, she graduated with a Bachelor of Commerce degree in 1987.

***Teresa O'Flynn (Irish) Non-Executive Director (appointed 6 January 2016) (Teresa O'Flynn resigned from the Board on 30 November 2018 and was re-appointed on 4 October 2019):*** Ms Teresa O'Flynn is a Managing Director at BlackRock and she is Global Head of Sustainable Investing Strategy for BlackRock Alternatives Investors (BAI). BAI currently manages over $175 billion in total assets and client commitments. Ms O'Flynn is responsible for instilling BlackRock's firm-wide sustainable investing strategy across our Real Estate, Infrastructure, Hedge Funds, Private Equity and Credit businesses. This includes overseeing all aspects of integrating sustainability considerations and risk factors across the platform's investment and asset management processes, developing BAI-wide ESG reporting and contributing to BAI business and product strategy.

Prior to assuming her current responsibilities in 2019, Ms O'Flynn was Global Head of Sustainable Investing for BlackRock Real Assets and a senior Portfolio Manager with Global Renewable Power, having joined the firm in 2011 to establish BlackRock's renewables business. She also serves on the board of BlackRock's Irish domiciled ETF, cash and real assets fund companies.

Ms O'Flynn has over 16 years of international investment experience having worked as a Senior Corporate Finance Executive at NTR plc, a private infrastructure developer, operator and business owner. Ms O'Flynn trained as a Chartered Accountant (FCA) and tax advisor (AITI) with Arthur Andersen and KPMG. She earned a BComm with first class honours and distinction, from University College Galway, Ireland.

**The Manager**

The Company has appointed BlackRock Asset Management Ireland Limited as its manager pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the Company's affairs and the distribution of the Shares, subject to the overall supervision and control of the Directors.

The Remuneration Policy of the Manager sets out the policies and practices that are consistent with and promote sound and effective risk management. It includes a description as to how remuneration and benefits are calculated and identifies those individuals responsible for awarding remuneration and benefits including the composition of the remuneration committee, should one be established. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instruments of incorporation of the Company and does not impair compliance with the Manager's duty to act in the best interest of the investors of the Company. The Remuneration Policy includes fixed and variable components of salaries and discretionary pension benefits. The Remuneration Policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profile of the Company. The Remuneration Policy is available on the individual Fund pages at www.blackrock.com (select the relevant Fund in the "Product" section and then select "All Documents") or a paper copy is available upon request and free of charge from the registered office of the Manager.

The board of directors of the Manager is as follows:

***William Roberts*** *(Chairman), (British nationality, Irish resident):* Mr Roberts was admitted as a lawyer in Scotland, Hong Kong, Bermuda and the Cayman Islands. From 1990 to 1999, he was Senior Assistant (1990-1994) and then Partner (1994-1999) with W.S. Walker & Company where he concentrated on collective investment vehicle formation and provided ongoing vehicle advice with particular focus on hedge and private equity funds. From 1996 to 1999 he served as a director of the Cayman Islands Stock Exchange. Between 1998 and 2000, he was Secretary to the International Bar Associations' sub-committee on specialised investment funds. Currently Mr Roberts serves

as a director to a number of investment companies and investment management companies domiciled in Ireland and the Cayman Islands.

***Paul Freeman*** *(British):* Mr Freeman currently serves as a director on the boards of a number of BlackRock Group companies and investment funds. He was until December 2015 a Managing Director of BlackRock, which he had joined in August 2005 (which then was Merrill Lynch Investment Managers). Up until July 2011 Mr Freeman was the Head of Product Development and Range Management for the EMEA region with responsibility for the development and ongoing product management of all funds domiciled in EMEA and distributed on a cross-border basis by BlackRock. Between July 2011 and December 2015 Mr Freeman worked closely with BlackRock's Government affairs team and served on various internal governance committees and on the boards of a number of group subsidiaries and managed funds. Mr Freeman has worked in the financial services industry for over 35 years and, prior to BlackRock, has held senior management positions at Schroders, Rothschild Asset Management, Henderson Investors and GT Management (now part of Invesco). Mr Freeman is a Chartered Accountant.

***Justin Mealy*** *(Irish):* Mr Mealy is the Investment Director for BlackRock Asset Management Ireland Limited with responsibility for the day-to-day oversight, monitoring and control of investment policy, strategies and performance of funds domiciled within Ireland. Before joining BlackRock, Justin was Managing Director at Geneva Trading in Dublin for 8 years where, as Global Head of Risk and Head of European Offices, he was responsible for the risk and performance management of the firm's trading groups at locations in Europe, North America and Asia, engaged in a variety of strategies across major asset classes. Justin is a graduate of Business & Law at University College Dublin, 1997 and is a FRM Charter holder.

***Barry O'Dwyer*** *(Irish):* Mr O'Dwyer is a Managing Director at BlackRock. He is the Head of Funds Governance and registrations/listings for BlackRock's European open-ended fund range and is the Chief Executive Officer for BlackRock's Regulated Irish business. He serves as a director on the boards of a number of BlackRock corporate, fund, and management companies in Ireland, Luxembourg, Switzerland and Germany and on the board of BlackRock's UK Life company. He was the chairman of the Irish Funds Industry Association 2014-2015 and was a member of An Taoiseach's Financial Services Industry Advisory Committee 2015-2018. He joined BlackRock Advisors (UK) Limited in 1999 as head of risk management and moved to his present role in 2006. Prior to joining BlackRock Advisors (UK) Limited, Mr O'Dwyer worked as risk manager at Gartmore Investment Management and at HypoVereinsbank and National Westminster Bank. Mr O'Dwyer graduated from Trinity College Dublin with a degree in Business Studies and Economics in 1991. He holds a Chartered Association of Certified Accountants qualification and an MBA from London City University Business School.

***Adele Spillane*** *(Irish):* Ms Spillane is a Managing Director at BlackRock. She is a member of BlackRock's Institutional Client Business and is Head of BlackRock's Irish Institutional business. Ms. Spillane's service with the firm dates back to 1995, including her years with Barclays Global Investors (BGI), which merged with BlackRock in 2009. Prior to her current role she worked as a senior client director in the Strategic Accounts team for the UK Institutional Business, where she had overall responsibility for 20 large institutional UK Pension Schemes with total scheme assets ranging from £500 million to £5 billion. Before that, she was in the Large Institutional Client team, also as a client director, which she joined in 2004. Prior to her client director role, Ms. Spillane was the head of the pooled funds group in the UK. Ms. Spillane worked within the Client Relationship Group in BGI's San Francisco office. In 1999 she formed and headed up the BGI US ClientConnect Team. Ms. Spillane earned a degree, with honours, in commerce from University College Dublin in 1993. She is a CFA charterholder and holds the Investment Management Certificate.

***Patrick Boylan*** *(Irish):* Mr. Boylan is Global Head of Investment Risk for Renewable Power and Infrastructure Solutions and is responsible for the global risk oversight of Infrastructure investing at BlackRock Alternative Investors. Mr. Boylan's service with BlackRock dates back to 2011. He was most recently Head of Risk for the Manager and prior to that a member of BlackRock's Financial Markets Advisory Group (FMA) where he was responsible for EMEA Valuation and Risk Assessment. Prior to joining BlackRock, Mr. Boylan served in senior risk management positions at LBBW Asset Management and GE Capital. Mr. Boylan earned a BS degree in Finance and Msc. Investment & Treasury (MIT) from Dublin City University and is a FRM Charter holder.

***Catherine Woods*** *(Irish)*: Ms Woods has over 30 years' experience in financial services, as well as significant governance experience. Her executive career was with JP Morgan in the City of London, specialising in European Financial Institutions. She is a former Vice President and Head of the JP Morgan European Banks Equity Research Team, where her mandates included the recapitalisation of Lloyds' of London and the re-privatisation of Scandinavian banks. She holds a number of non-executive directorships including Lloyds Banking Group (effective 1 March 2020), Chairman of Beazley Insurance DAC and a Director of Beazley plc. She was previously appointed by the Irish Government to the Electronic Communications Appeals Panel and the Adjudication Panel to oversee the rollout of the National Broadband scheme. Ms Woods is the former Deputy Chairman of AIB Group plc, former Chairman of EBS DAC and former Director of AIB Mortgage Bank and An Post. She holds a First Class Honours Economics Degree from Trinity College Dublin and a Chartered Director Diploma with distinction.

The Manager has delegated the performance of the investment management functions in respect of the Company to BlackRock Advisors (UK) Limited, the administrative functions, transfer agency and registrar services to State Street Fund Services (Ireland) Limited.

The Manager is a private company limited by shares and was incorporated in Ireland on 19 January 1995. It is ultimately a wholly owned subsidiary of BlackRock, Inc.. The Manager has an authorised share capital of Stg£1 million and an issued and fully paid up share capital of Stg£125,000. The Manager's main business is the provision of fund management and administration services to collective investment schemes such as the Company. The Manager is also the manager of a number of other funds including: iShares II plc, iShares III plc, iShares IV plc,

iShares V plc, iShares VI plc, iShares VII plc, Institutional Cash Series plc, BlackRock Index Selection Fund, BlackRock Fixed Income Dublin Funds plc and BlackRock UCITS Funds [The names of collective investments schemes which are not approved for offer to non-qualified investors in Switzerland have been deleted].

Under the terms of the Management Agreement between the Company and the Manager, in the absence of breach of contract, fraud, bad faith, wilful misconduct or negligence in the performance by the Manager of its obligations, the Manager will not be under any liability to the Company or any investor in the Company on account of anything done or suffered by the Manager in pursuance of rendering the services under the agreement or any request or advice of the Company. The Management Agreement may be terminated by either party giving to the other not less than one hundred and eighty days' notice in writing, although in certain circumstances, the agreement can be terminated forthwith by notice in writing by the Company or the Manager to the other.

The secretary of the Manager is Sanne.

**The Investment Manager**

The Manager has delegated responsibility for the investment and re-investment of the Company's assets to BlackRock Advisors (UK) Limited pursuant to the Investment Management Agreement. The Investment Manager is also the promoter and sponsor of the Company.

The Investment Manager will be responsible to the Manager and the Company with regard to the investment management of the assets of the Funds in accordance with the investment objectives and policies described in the Prospectus (as it may be amended or supplemented from time to time) subject always to the supervision and direction of the Directors. The Investment Manager may delegate responsibility for all or part of the day-to-day conduct of its trading activity in respect of any Fund to an Affiliate. The Investment Manager (subject to prior consent of the Manager and the Central Bank) also has the discretion to delegate the investment decision making to other investment managers (which may be Affiliates) provided such investments are made in accordance with the investment objectives and policies described in this Prospectus. The Investment Manager will discharge the fees and expenses of any such investment managers. Information relating to any other investment managers to whom the investment decision making may be delegated will be provided to holders of Shares on request and details of any such investment managers will be disclosed in the Company's annual reports and audited financial statements and semi-annual reports and unaudited financial statements.

The Investment Manager is a subsidiary of BlackRock, Inc. The Investment Manager as investment manager is regulated by the Financial Conduct Authority to carry on regulated activities in the UK and is subject to the rules of the Financial Conduct Authority. The Investment Manager was incorporated under the laws of England and Wales on 18 March 1964. As of 31 December 2016, the BlackRock Group had US$5.1 trillion of assets under management and is represented in 27 countries.

Under the terms of the Investment Management Agreement, in the absence of fraud, bad faith, wilful default or negligence on the part of the Investment Manager, the Investment Manager will not be liable for any loss sustained in the purchase, sale or retention of any security on the recommendation of the Investment Manager. The Investment Management Agreement may be terminated by either party giving to the other not less than one hundred and eighty days' notice in writing or immediately by either party for the following reasons:

- in the event that the other party goes into liquidation (except voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the first mentioned party) or is unable to pay its debts or commits an act of bankruptcy or a receiver is appointed over the assets of the other party or some event having equivalent effect occurs;
- an examiner, administrator or similar person is appointed to the other party;
- the other party commits a material breach of the agreement and fails to remedy a breach of the agreement (if capable of remedy) within thirty days of being requested to do so; or
- the Investment Manager ceases to be permitted to act as such under any applicable laws or regulations.

**The Securities Lending Agent**

The Investment Manager may be appointed as the lending agent of the Funds of the Company under the terms of a written agreement. Under the terms of such an agreement, the lending agent is appointed to manage the Funds' securities lending activities and is entitled to receive a fee which is in addition to its fee as investment manager. The income earned from securities lending will be allocated between the Funds of the Company and the Investment Manager and paid on a percentage basis to the Investment Manager at normal commercial rates. Full financial details of the amounts earned and expenses incurred with respect to securities lending for the Funds of the Company, including fees paid, will be included in the Company's annual reports and audited financial statements and semi-annual reports and unaudited financial statements. The Manager will, at least annually, review the securities lending arrangements and associated costs.

**The Administrator**

The Manager has delegated its responsibilities as administrator, registrar and transfer agent to State Street Fund Services (Ireland) Limited pursuant to the Administration Agreement. The Administrator will have the responsibility for the administration of the Company's affairs including the calculation of the Net Asset Value, processing Account Opening Forms and dealing requests from the Primary Market and preparation of the accounts of the Company, subject to the overall supervision of the Directors and the Manager.

The Administrator is a limited liability company incorporated in Ireland on 23 March, 1992 and is ultimately a wholly-owned subsidiary of the State Street Corporation. The authorised share capital of the Administrator is Stg£5,000,000 with an issued and paid up capital of Stg£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

The Administration Agreement provides that the appointment of the Administrator will continue unless and until terminated by the Manager, giving to the Administrator not less than 6 months' written notice or the Administrator giving to the Manager not less than 12 months' notice (which shall not take effect until 7 years following such commencement date as agreed between the parties), although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. The agreement also provides for certain indemnities in favour of the Administrator otherwise than due to the fraud, bad faith, breach of contract, breach of applicable law, negligence, recklessness or wilful default of the Administrator or its directors, officers, employees, delegates, agents or subcontractors, in the performance of its obligations under the agreement.

**The Paying Agent**

The Manager has appointed a Paying Agent for Shares in the Funds. In such capacity, the Paying Agent will be responsible for, among other things, ensuring that payments received by the Paying Agent from the Company are duly paid; maintaining independent records of securities, dividend payment amounts; and communicating information to the relevant International Central Securities Depositary. Payment in respect of the Shares will be made through the relevant International Central Securities Depositary in accordance with the standard practices of the applicable International Central Securities Depositary. The Manager may vary or terminate the appointment of the Paying Agent or appoint additional or other registrars or paying agents or approve any change in the office through which any registrar or paying agent acts. Citibank N.A., London Branch is currently appointed by the Manager as Paying Agent.

**The Depositary**

The Company has appointed State Street Custodial Services (Ireland) Limited as depositary of its assets pursuant to the Depositary Agreement. The Depositary provides safe custody of the Company's assets pursuant to the Regulations.

The Depositary is a limited liability company incorporated in Ireland on 22 May 1991 and is, like the Administrator, ultimately owned by the State Street Corporation. Its authorised share capital is Stg£5,000,000 and its issued and paid up capital is Stg£200,000. As at 30 June 2012 the Depositary held funds under custody in excess of US$384 billion. The Depositary is a subsidiary of State Street Bank and Trust Company ("SSBT") and the liabilities of the Depositary are guaranteed by SSBT. The Depositary, SSBT and the Administrator are ultimately owned by State Street Corporation. The Depositary's principal business is the provision of custodial and trustee services for collective investment schemes and other portfolios.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

*The Duties of the Depositary*
The Depositary acts as the depositary of the Funds for the purposes of the Regulations and, in doing so, shall comply with the provisions of the Regulations. In this capacity, the Depositary's duties include, amongst others, the following:

(i) ensuring that each Fund's cash flows are properly monitored, and that all payments made by or on behalf of investors upon the subscription of Shares of the Funds have been received;
(ii) safekeeping the assets of the Funds, which includes (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verifying the ownership by the Company of such assets and the maintenance of a record accordingly (the "Safekeeping Function");
(iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Fund are carried out in accordance with the Regulations and the Articles;
(iv) ensuring that the value of the Shares of each Fund is calculated in accordance with the Regulations and the Articles;
(v) carrying out the instructions of the Manager and the Company unless such instructions conflict with the Regulations or the Articles;
(vi) ensuring that in transactions involving each Fund's assets any consideration is remitted to the relevant Fund within the usual time limits; and
(vii) ensuring that the Funds' income is applied in accordance with the Regulations and the Articles.

Apart from cash (which shall be held and maintained in accordance with the terms of the Regulations), all other assets of the Funds shall be segregated from the assets of the Depositary, its sub-custodians and from assets held as a fiduciary, custodian or otherwise by the Depositary or sub-custodians or both for other customers. The Depositary shall maintain its records which relate to the assets attributable to each Fund so as to ensure that it is readily apparent that the assets are held solely on behalf of and belong to the Fund and do not belong to the Depositary or any of its affiliates, sub-custodians or delegates or any of their affiliates.

The Depositary has appointed its parent company, SSBT, as its global sub-custodian ("Global Depositary") in respect of the performance of its Safekeeping Function. The Global Depositary has in turn entered into sub-custody agreements delegating the performance of its Safekeeping Function in certain agreed markets to the sub-custodians as set out in Schedule VI. The liability of the Depositary will not be affected by the fact that it has entrusted the Safekeeping Function to a third party.

The Depositary must ensure that the sub-custodians:

(i) have adequate structures and expertise;
(ii) in circumstances where custody of financial instruments is delegated to them, are subject to effective prudential regulation, including minimum capital requirements, and supervision in the jurisdiction concerned, as well as an external periodic audit to ensure that the financial instruments are in their possession;
(iii) segregate the assets of the Depositary's clients from their own assets and assets of the Depositary in such a way that such assets can, at any time, be clearly identified as belonging to the Depositary's clients;
(iv) ensure that in the event of their insolvency, assets of the Company held by the sub-custodians are unavailable for distribution among, or realisation for the benefit of, creditors of the sub-custodians; and
(v) are appointed by way of a written contract and comply with the general obligations and prohibitions in relation to the Safekeeping Function, reuse of assets and conflicts of interest.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, the Company may instruct the Depositary to delegate its functions to such a local entity only to the extent required by the law of the third country and only for as long as there are no local entities that satisfy the aforementioned regulation, capital and supervision requirements. In the event that custody is delegated to such local entities, prior Shareholder notice will be provided advising of the risks involved in such delegation.

Please refer to the section of this Prospectus entitled 'Conflicts of Interest' for details of potential conflicts that may arise involving the Depositary.

The Depositary must ensure that the assets of the Funds held in custody by the Depositary shall not be reused by the Depositary, or by any third party to whom the custody function has been delegated, for their own account. Reuse comprises any transaction of assets of the Funds held in custody including, but not limited to, transferring, pledging, selling and lending. Reuse of the assets of a Fund held in custody is only allowed where:

(a) the reuse of the assets is carried out for the account of the Fund;
(b) the Depositary is carrying out the instructions of the Manager on behalf of the Fund;
(c) the reuse is for the benefit of the Fund and the interest of the investors in the Fund; and
(d) the transaction is covered by high quality and liquid collateral received by the Fund under a title transfer arrangement with a market value at all times at least equivalent to the market value of the reused assets plus a premium.

The Depositary is liable to the Funds for the loss of financial instruments of the Funds which are held in custody as part of the Depositary's Safekeeping Function (irrespective of whether or not the Depositary has delegated its Safekeeping Function in respect of such financial instruments) unless it can prove that the loss of financial instruments held in custody has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. This standard of liability only applies to assets capable of being registered or held in a securities account in the name of the Depositary or a sub-custodian and assets capable of being physically delivered to the Depositary. The Depositary shall also be liable to the Funds for all other losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations.

The Depositary Agreement provides that the Company will be liable to the Depositary for any losses that may imposed on, suffered by or asserted against the Depositary in connection with or arising out of the Depositary's proper performance of its obligations and that the Company will indemnify the Depositary against, and hold it harmless from, any losses arising from third party claims that may be suffered by or asserted against the Depositary in connection with or arising out of the Depositary's proper performance of its obligations.

Under the Depositary Agreement, the Company has also provided a power of sale under relevant Irish legislation to the Depositary in the event that the Company fails to pay or discharge any of its obligations to repay the Depositary and its affiliates for credit facilities, including contractual settlement, made available to the Company by the Depositary or its affiliates. Prior to exercising such security interest, the Depositary must provide at least 3 working days' prior notice to the Company and the Manager, save that the Depositary shall not be required to provide the notice detailed above or delay exercising its power of sale if the Depositary in its discretion (acting reasonably) considers that to do so would materially prejudice its ability to obtain payment in full. In such circumstances, the Depositary shall only be required to give such prior notice as is reasonably practicable. The Depositary Agreement also provides that the Depositary has a contractual right of set-off to cover any outstanding fees which may be owed to the Depositary. This right may be exercised by the Depositary only against the property of the relevant Fund in relation to which the default on the payment obligation occurred.

The Depositary Agreement provides that the appointment of the Depositary may be terminated by the Company giving to the Depositary 6 months' notice (or such shorter period as the Depositary may agree to accept) or the Depositary giving to the Company 12 months' notice (or such shorter period as the Company may agree to accept)

(which shall not take effect until 7 years following such commencement date as agreed between the parties), although in certain circumstances, the agreement can be terminated forthwith by notice in writing by the Company or Depositary to the other parties.

Up-to-date information regarding the Depositary including the duties of the Depositary, the delegation arrangements and any conflicts of interest that may arise shall be made available to investors upon request to the Manager.

**Currency Hedging**

State Street Europe Limited has been appointed by the Investment Manager to provide currency hedging services for the Currency Hedged Funds and all the Currency Hedged Share Classes pursuant to the Currency Hedging Agreement. State Street Europe Limited will be responsible for carrying out foreign exchange transactions for the Currency Hedged Funds and the Currency Hedged Share Classes according to guidelines determined by the Investment Manager. State Street Europe Limited will employ a hedging methodology which reflects the methodology of the relevant Funds and Share Classes (see "The Benchmark Indices" and "Investment Techniques" above).

State Street Europe Limited is a limited liability company incorporated in England on 1 August 1997 and is ultimately a wholly-owned subsidiary of the State Street Corporation.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, USA, and trades on the New York Stock Exchange under the symbol "STT".

# CONFLICTS OF INTEREST

**General**

The Manager and other BlackRock Group companies undertake business for other clients. BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Manager and its clients. BlackRock maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain.

The types of conflict scenario giving rise to risks which BlackRock considers it cannot with reasonable confidence mitigate are disclosed below and may be updated from time to time.

**Depositary**

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts of interest arise where the Depositary or its affiliates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. Such activities may include:

(i) providing nominee, administration, registrar and transfer agency, research, agent securities lending, investment management, financial advice and/or other advisory services to the Company;
(ii) engaging in banking, sales and trading transactions including foreign exchange, derivative, principal lending, broking, market making or other financial transactions with a Fund either as principal and in the interests of itself, or for other clients.

In connection with the above activities the Depositary or its affiliates:

(i) will seek to profit from such activities and are entitled to receive and retain any profits or compensation in any form and are not bound to disclose to the Company, the nature or amount of any such profits or compensation including any fee, charge, commission, revenue share, spread, mark-up, mark-down, interest, rebate, discount, or other benefit received in connection with any such activities;
(ii) may buy, sell, issue, deal with or hold, securities or other financial products or instruments as principal acting in its own interests, the interests of its affiliates or for its other clients;
(iii) may trade in the same or opposite direction to the transactions undertaken, including based upon information in its possession that is not available to the Company;
(iv) may provide the same or similar services to other clients including competitors of the Company;
(v) may be granted creditors' rights by the Company which it may exercise.

The Company may use an affiliate of the Depositary to execute foreign exchange, spot or swap transactions for the account of the Company. In such instances the affiliate shall be acting in a principal capacity and not as a broker, agent or fiduciary of the Company. The affiliate will seek to profit from these transactions and is entitled to retain and not disclose any profit to the Company. The affiliate shall enter into such transactions on the terms and conditions agreed with the Company.

Where cash belonging to the Company is deposited with an affiliate of the Depositary being a bank, a potential conflict arises in relation to the interest (if any) which the affiliate may pay or charge to such account and the fees or other benefits which it may derive from holding such cash as banker and not as trustee.

The Manager may also be a client or counterparty of the Depositary or its affiliates.

Up-to-date information on the Depositary, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to investors on request.

**Conflicts of Interest within the BlackRock Group**

*PA Dealing*
BlackRock Group employees may be exposed to clients' investment information while also being able to trade through personal accounts. There is a risk that, if an employee could place a trade of sufficient size, this would affect the value of a client's transaction. BlackRock Group has implemented a Personal Trading Policy designed to ensure that employee trading is pre-approved.

*Employee Relationships*
BlackRock Group employees may have relationships with the employees of BlackRock's clients or with other individuals whose interests conflict with those of a client. Such an employee's relationship could influence the employee's decision-making at the expense of clients' interests. BlackRock Group has a Conflicts of Interest Policy under which employees must declare all potential conflicts.

**Conflicts of interest of the Manager**

*Provider Aladdin*
BlackRock Group uses Aladdin software as a single technology platform across its investment management business. Custodial and fund administration service providers may use Provider Aladdin, a form of Aladdin software, to access data used by the Investment Manager and the Manager. Each service provider remunerates BlackRock Group for the use of Provider Aladdin. A potential conflict arises whereby an agreement by a service provider to use Provider Aladdin incentivises the Manager to appoint or renew appointment of such service provider. To mitigate the risk, such contracts are entered on an 'arm's length' basis.

*Distribution Relationships*
The Principal Distributor (BlackRock Investment Management (UK) Limited) may pay third parties for distribution and related services. Such payments could incentivise third parties to promote the Company to investors against that client's best interests. BlackRock Group companies comply with all legal and regulatory requirements in the jurisdictions in which such payments are made.

**Conflicts of interest of the Investment Manager**

*Commissions & Research*
Where permitted by applicable regulation (excluding, for the avoidance of doubt, any Funds which are in scope for MiFID II), certain BlackRock Group companies acting as investment manager to the Funds may use commissions generated when trading equities with certain brokers in certain jurisdictions to pay for external research. Such arrangements may benefit one fund over another because research can be used for a broader range of clients than just those whose trading funded it. BlackRock Group has a Use of Commissions Policy designed to ensure compliance with applicable regulation and market practice in each region.

*Timing of Competing Orders*
When handling multiple orders for the same security in the same direction raised at or about the same time, the Investment Manager seeks to achieve the best overall result for each order equitably on a consistent basis taking into account the characteristics of the orders, regulatory constraints or prevailing market conditions. Typically, this is achieved through the aggregation of competing orders. Conflicts of interest may appear if a trader does not aggregate competing orders that meet eligibility requirements, or does aggregate orders that do not meet eligibility requirements; it may appear as if one order received preferential execution over another. For a specific trade instruction of the Fund, there may be a risk that better execution terms will be achieved for a different client. For example, if the order was not included in an aggregation. BlackRock Group has Order Handling Procedures and an Investment Allocation Policy which govern sequencing and the aggregation of orders.

*Concurrent Long and Short Positions*
The Investment Manager may establish, hold or unwind opposite positions (i.e. long and short) in the same security at the same time for different clients. This may prejudice the interests of the Investment Manager's clients on one side or the other. Additionally, investment management teams across the BlackRock Group may have long only mandates and long-short mandates; they may short a security in some portfolios that are held long in other portfolios. Investment decisions to take short positions in one account may also impact the price, liquidity or valuation of long positions in another client account, or vice versa. BlackRock Group operates a Long Short (side by side) Policy with a view to treating accounts fairly.

*Cross Trading - Pricing Conflict*
When handling multiple orders for the same security, the Investment Manager may 'cross' trades by matching opposing flows to obtain best execution. When crossing orders, it is possible that the execution may not be performed in the best interests of each client; for example, where a trade did not constitute a fair and reasonable price. BlackRock Group reduces this risk by implementing a Crossing Policy.

*MNPI*
BlackRock Group companies receive Material Non-Public Information (MNPI) in relation to listed securities in which BlackRock Group companies invest on behalf of clients. To prevent wrongful trading, BlackRock Group erects Information Barriers and restricts trading by one or more investment team(s) concerned in the security concerned. Such restrictions may negatively impact the investment performance of client accounts. BlackRock has implemented a Material Non-Public Information Barrier Policy.

*BlackRock's Investment Constraints or Limitations and its Related Parties*
The Company may be restricted in its investment activities due to ownership threshold limits and reporting obligations in certain jurisdictions applying in aggregate to the accounts of clients of the BlackRock Group. Such restrictions may adversely impact clients through missed investment opportunities. BlackRock Group manages the conflict by following an Investment and Trading Allocation Policy, designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

*Investment in Related Party Products*
While providing investment management services for a client, the Investment Manager may invest in products serviced by BlackRock Group companies on behalf of other clients. BlackRock may also recommend services provided by BlackRock or its affiliates. Such activities could increase BlackRock's revenue. In managing this conflict, BlackRock seeks to follow investment guidelines and has a Code of Business Conduct and Ethics.

*Investment Allocation and Order Priority*
When executing a transaction in a security on behalf of a client, it can be aggregated and the aggregated transaction fulfilled with multiple trades. Trades executed with other client orders result in the need to allocate those trades. The ease with which the Investment Manager can allocate trades to a certain client's account can be limited by the sizes and prices of those trades relative to the sizes of the clients' instructed transactions. A process of allocation can result in a client not receiving the whole benefit of the best priced trade. The Investment Manager manages this conflict by following an Investment and Trading Allocation Policy, which is designed to ensure the fair treatment of all clients' accounts over time.

*Fund Look Through*
BlackRock Group companies may have an informational advantage when investing in proprietary BlackRock funds on behalf of client portfolios. Such an informational advantage may lead a BlackRock Group company to invest on behalf of its client earlier than the Investment Manager invests for the Company. The risk of detriment is mitigated through BlackRock Group's pricing of units and anti-dilution mechanisms.

*Side-by-Side Management: Performance fee*
The Investment Manager manages multiple client accounts with differing fee structures. There is a risk that such differences lead to inconsistent performances levels across client accounts with similar mandates by incentivising employees to favour accounts delivering performance fees over flat or non-fee accounts. BlackRock Group companies manage this risk through a commitment to a Code of Business Conduct and Ethics Policy.

# STATUTORY AND GENERAL INFORMATION

## 1. Authorised share capital

On incorporation the authorised share capital of the Company was Stg£30,000 divided into 30,000 Subscriber Shares of a par value of Stg£1.00 each and 500,000,000,000 Shares of no par value. There are 30,000 Subscriber Shares currently in issue which are held by the Manager and nominees of the Manager. 7 Subscriber Shares were issued on 12 January, 2000 and 29,993 Subscriber Shares were issued on 11 April, 2000. All Subscriber Shares were issued for cash at par value. The Subscriber Shares do not form part of the share capital of any Fund of the Company.

These Subscriber Shares may be repurchased by the Company at any time. The repurchase price will be Stg£1.00 per Subscriber Share.

(a) To the best of the Directors' knowledge and belief, as of the date of this Prospectus, no capital of the Company is under option or is agreed, conditionally or unconditionally to be put under option.

(b) Neither the Subscriber Shares nor the Shares carry pre-emption rights.

## 2. Share Rights

(a) Subscriber Shares

The holders of the Subscriber Shares shall:

(i) on a poll, be entitled to one vote per Subscriber Share;

(ii) not be entitled to any dividends whatsoever in respect of their holding of Subscriber Shares; and

(iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Distribution of Assets on a Liquidation" below.

(b) Shares

The holders of Shares shall:

(i) on a poll, be entitled to one vote per whole Share;

(ii) be entitled to such dividends as the Directors may from time to time declare; and

(iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Distribution of Assets on a Liquidation" below.

Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds.

## 3. Voting Rights

This is dealt with under the rights attaching to the Subscriber Shares and Shares respectively referred to at 2 above. Shareholders (i.e. investors who have their names entered on the share register) who are individuals may attend and vote at general meetings in person or by proxy. Shareholders (i.e. investors who have their names entered on the share register) who are corporations may attend and vote at general meetings by appointing a representative or by proxy. Investors who hold Shares through a broker/dealer/other intermediary, who are not entered on the register, for example for clearing purposes, may not be entitled to vote at general meetings. This will depend upon the arrangements agreed with the relevant broker/dealer/other intermediary.

Subject to any special terms as to voting upon which any Shares may be issued or may for the time being be held, at any general meeting on a poll every such holder of Shares present in person or by proxy shall have one vote for every Share held.

To be passed, ordinary resolutions of the Company in general meeting will require a simple majority of the votes cast by the holders of Shares voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the holders of Shares present in person or by proxy and (being entitled to vote) voting in general meetings is required in order to pass a special resolution including a resolution to (i) rescind, alter or amend an Article or make a new Article and (ii) wind up the Company.

Please see the section entitled "General Information on Dealings in the Company" for information on exercising voting rights by investors in the Funds.

**4. Meetings and Votes of Shareholders**

Shareholders (i.e. investors who have their names entered on the share register of the Company) will be entitled to attend and vote at general meetings of the Company. The annual general meeting of the Company will be held in Ireland normally within six months of the end of each financial year of the Company. Notices convening each annual general meeting will be sent to registered shareholders together with the annual report and audited financial statements not less than twenty-one days before the date fixed for the meeting.

Please see the section entitled "General Information on Dealings in the Company" for information on delivery of notices and exercising voting rights by investors in the Funds.

**5. Accounts and Information**

The Company's accounting period will end on the last day of February in each year.

The Company will prepare an annual report and audited financial statements for the year ending on the last day of February in each year. The annual report and audited financial statements will be published within four months following the year end date. In addition, the Company will prepare a semi-annual report and unaudited financial statements (made up to 31 August) and this will be published within two months following this period end. The Company will supply copies of the annual reports and semi-annual reports to holders of Shares free of charge on request.

Copies of this Prospectus, the Supplements (if any) and annual and semi-annual reports of the Company may be obtained from the Administrator at the address given under "Directory".

**6. Distribution of assets on a liquidation**

(a) If the Company shall be wound up, the liquidator shall, subject to the provisions of the Act, apply the assets of the Company on the basis that any liability incurred or attributable to a Fund shall be discharged solely out of the assets of that Fund.

(b) The assets available for distribution among the members shall then be applied in the following priority:

(i) firstly, in the payment to the holders of the Shares of each class of each Fund a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had to the assets of the Company (if any) not comprised within any of the Funds and not (save as provided in the Act) to the assets comprised within any of the Funds;

(ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (b)(i) above. In the event that there are insufficient assets aforesaid to enable such payment to be made, no recourse shall be had to the assets comprised within any of the Funds;

(iii) thirdly, in the payment to the holders of each class of Shares of any asset remaining in the relevant Fund of any balance being made in proportion to the number of Shares held; and

(iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion to the number of Shares held in each class.

(c) The Company will sell the assets if requested by a Shareholder and the cost of such sale shall be charged to the redeeming Shareholder.

(d) A Fund may be wound up in accordance with the Act and in such event the provisions of paragraph (b)(i) and Article 126 of the Articles will apply with the relevant changes being applied in respect of that Fund.

**7. Circumstances of a Winding Up**

The Company shall be wound up in the following circumstances:

(a) by the passing of a special resolution for a winding-up;

(b) where the Company does not commence business within a year of being incorporated or where it suspends its business for a year;

(c) where the number of members falls below the statutory minimum (currently 2);

(d) where the Company is unable to pay its debts and a liquidator has been appointed;

(e) where the appropriate court in Ireland is of the opinion that the Company's affairs and the powers of the Directors have been exercised in a manner oppressive to members;

(f) the appropriate court in Ireland is of the opinion that it is just and equitable that the Company should be wound up.

**8. Directors' and Other Interests**

(a) As at the date of this Prospectus, none of the Directors nor any other connected person has any material interest in the Shares of the Company or any options in respect of such Shares.

(b) For the purposes of this paragraph "connected person" means in respect of any Director:

(i) his spouse, child or step-child;

(ii) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or step-children or any body corporate which he controls;

(iii) a partner of the Director; or

(iv) a company controlled by that Director.

The Directors are entitled to such annual fees as may be agreed. The BlackRock Group employees serving as Directors are not entitled to receive Directors' fees. The Articles provide that each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve, provided that no Director may be paid in excess of a figure set out in the Prospectus without the approval of the Board of Directors. These fees are paid out of the Total Expense Ratio.

(c) Save for the contracts listed in section entitled "Management of the Company", no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

(d) Mr O'Dwyer, Ms Irschick and Ms O'Flynn are employees of the BlackRock Group (of which the Manager and Investment Manager are part). Mr O'Dwyer is also a director of the Manager.

(e) No loan or guarantee has been provided by the Company to any Director.

(f) Members of the BlackRock Group (i.e. BlackRock, Inc. and its subsidiaries and affiliates) may hold Shares for their own account and on behalf of discretionary clients. The Directors are satisfied that in the nature of the Company's business such holdings will not prejudice its independent operation. All relations between the Company and members of the BlackRock Group will be conducted at arms' length on a normal commercial basis.

(g) No Director:

(i) has any unspent convictions;

(ii) has become bankrupt or entered into any voluntary arrangement;

(iii) has been a director of any company or a partner of any firm which, at that time or within twelve months after his ceasing to become a director or a partner (as the case may be), had a receiver appointed or went into compulsory liquidation, or creditors voluntary liquidation or went into administration, or entered into company or partnership voluntary arrangements or made any composition or arrangement with its creditors;

(iv) has owned an asset or been a partner of a partnership owning an asset over which a receiver has been appointed at that time or within twelve months after his ceasing to be a partner; or

(v) has had any public criticism against him by any statutory or regulatory authority (including recognised professional bodies) or has been disqualified by a court from acting as a director or acting in the management or conduct of the affairs of any company.

## 9. Litigation

Save as disclosed in the Company's annual report and audited financial statements, the Company is not and has not been engaged in any litigation or arbitration proceedings as a defendant and the Directors are not aware of any litigation or claim pending or threatened by or against the Company since its incorporation, where such litigation, arbitration proceedings or claim may have a significant effect on the Company's financial position or profitability. Where appropriate, the Company has participated in certain shareholder class actions brought against the underlying companies in which it invests. Such shareholder class actions are funded by third party funders and the Company does not act as the lead claimant.

## 10. Miscellaneous

(a) The Company does not have as at the date of this Prospectus any loan capital (including term loans) outstanding or created but unissued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdraft, liabilities under acceptances or acceptance credits, obligations under finance leases, hire purchase, commitments, guarantees or other contingent liabilities.

(b) The Company does not have, nor has it had since its incorporation, any employees.

(c) Save as disclosed in paragraph 8 above, no Director has any interest direct or indirect in the promotion of the Company or in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired by, disposed of or leased to the Company, nor is there any contract or arrangement subsisting at the date of this document in which a Director is materially interested and which is unusual in its nature and conditions or significant in relation to the business of the Company.

(d) The Company has not and does not intend to purchase or acquire nor agree to purchase or acquire any real property.

(e) The name "iShares" is a trademark of BlackRock, Inc. or its subsidiaries. On termination of the Management Agreement, the Company has undertaken (inter alia) to call a general meeting of the Company to change the name of the Company to a name not resembling or including "iShares".

## 11. Inspection of Documents

Copies of the following documents will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays), free of charge, at the registered offices of the Company in Dublin and at the offices of the Investment Manager in London and may be obtained, on request free of charge, from the Administrator:

(a) this Prospectus, any Supplement and any KIID;

(b) the Memorandum and Articles;

(c) the latest annual and semi-annual reports of the Company.

## 12. UK Facilities Agent

UK investors can contact the UK facilities agent (the Investment Manager) at BlackRock Advisors (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL for details regarding pricing and redemption, making a complaint and for the inspection (free of charge) and for the obtaining of copies in English of scheme documentation listed in paragraph 11 (a) and (b) above (free of charge) and documentation listed at paragraph 11 (c) above (free of charge).

# TAXATION

## General

***The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.***

The following is a brief summary of certain aspects of Irish and United Kingdom taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect as at the date of this Prospectus, all of which are subject to change.

Dividends, interest and capital gains (if any) which the Company receives with respect to its Investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of Investments are located. It is anticipated that the Company may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. Therefore, such withholding taxes may be considered as generally irrecoverable as the Company itself is exempt from income tax. If this position changes in the future and the application of a lower rate results in a repayment to the Company, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing holders of Shares rateably at the time of the repayment.

This section does not cover the tax implications for anyone other than those who have a beneficial interest in the Shares. This section does not cover tax implications for UK resident individual investors that are not domiciled in the UK or any financial traders or any other investors that may hold Shares in the Company in the course of their trade or profession. It also does not cover taxation implications in respect of life companies and UK authorised investment funds investing in the Company.

## Irish Taxation

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes the taxation position of the Company and its holders of Shares is as set out below.

***Definitions***
For the purposes of this section, the following definitions shall apply.

**"Courts Service"**
The Courts Service is responsible for the administration of moneys under the control or subject to the order of the Courts.

**"Equivalent Measures"**
apply to an investment undertaking where the Irish Revenue have given the investment undertaking notice of approval in accordance with Section 739D (7B) of the Taxes Act and the approval has not been withdrawn.

**"Exempted Irish Investor"** means:
(i) an Intermediary within the meaning of Section 739B of the Taxes Act;
(ii) a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
(iii) a company carrying on life assurance business within the meaning of Section 706 of the Taxes Act;
(iv) an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
(v) an investment limited partnership within the meaning of Section 739J of the Taxes Act;
(vi) a special investment scheme within the meaning of Section 737 of the Taxes Act;
(vii) a unit trust to which Section 731(5)(a) of the Taxes Act applies;
(viii) a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
(ix) a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the Taxes Act where the shares held are assets of an approved retirement fund or an approved minimum retirement fund;
(x) a credit union within the meaning of Section 2 of the Credit Union Act;
(xi) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the shares are assets of a PRSA;
(xii) the National Pension Reserve Fund Commission or a Commission investment vehicle;
(xiii) a company investing in a money market fund that is within the charge to corporation tax in accordance with Section 739D(6)(k) of the Taxes Act, in respect of payments made to it by the Company, that has made a declaration to that effect and that has provided the Company with its tax reference;
(xiv) a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the Fund;
(xv) a qualifying management company within the meaning of Section 739B(1) of the Taxes Act;

(xvi) a specified company being a person referred to in Section 739D(6)(g) of the Taxes Act;
(xvii) the National Asset Management Agency being a person referred to in Section 739D(ka) of the Taxes Act;
(xviii) the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
(xix) the Motor Insurers' Bureau of Ireland in respect of an investment made by it of moneys paid to the Motor Insurers' Insolvency Compensation Fund under the Insurance Act 1964 (amended by the Insurance (Amendment) Act 2018; or
(xx) any other Irish Resident or Irish Ordinary Resident who may be permitted to own shares under taxation legislation or by written practice or concession of the Irish Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company,

provided that a Relevant Declaration is in place.

**"Intermediary" means a person who:-**
(i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
(ii) holds shares in an investment undertaking on behalf of other persons.

**"Ireland"** means the Republic of Ireland/the State.

**"Irish Ordinary Resident"**
(i) in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes.
(ii) in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.
The following definition has been issued by the Irish Revenue in relation to the ordinary residence of individuals:

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

For example, an individual who is resident in Ireland for the tax years:-
- 1 January 2017 to 31 December 2017;
- 1 January 2018 to 31 December 2018; and
- 1 January 2019 to 31 December 2019
will become Irish Ordinary Resident with effect from 1 January 2020.

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2019 to 31 December 2019 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2022 to 31 December 2022.

**"Irish Resident"**
(i) in the case of an individual, means an individual who is resident in Ireland for tax purposes.
(ii) in the case of a trust, means a trust that is resident in Ireland for tax purposes.
(iii) in the case of a company, means a company that is resident in Ireland for tax purposes.

*Residence – Individual*

An individual will be regarded as being resident in Ireland for a particular twelve month tax year if s/he:

- spends 183 days or more in Ireland in that twelve month tax year; or
- has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that twelve month tax year together with the number of days spent in Ireland in the preceding twelve month tax year.

Presence in a twelve month tax year by an individual of not more than 30 days in Ireland will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any time during that day.

*Residence – Company*

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and declarants are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

Companies incorporated on or after 1 January 2015

Finance Act 2014 introduced changes to the above residency rules. From 1 January 2015, a company incorporated in Ireland will be automatically considered resident in Ireland for tax purposes, unless it is considered resident in

a jurisdiction with which Ireland has a double tax agreement. A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland will continue to be treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.

Companies incorporated prior to 1 January 2015 have until 1 January 2021 before the new corporate residency provisions take effect.

Companies incorporated prior to 1 January 2015

The Irish tax rules for companies incorporated prior to 1 January 2015 provides that a company incorporated in Ireland will be regarded for all tax purposes as being resident in Ireland. Irrespective of where a company is incorporated a company which has its central management and control in Ireland is resident in Ireland. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carried on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the principal class of shares of the company or a related company are substantially and regularly traded on one or more than one recognised Stock Exchange in the EU or in a taxation treaty country (however this exception does not apply where the company's place of central management and control is in a jurisdiction that only applies an incorporation test for determining residency and the company would thus not be regarded as tax resident in any jurisdiction);

or

- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

*Residence – Trust*

Determining the tax residence of a trust can be complex. A trust will generally be regarded as resident in Ireland for tax purposes if a majority of its trustees are resident for tax purposes in Ireland. Where some, but not all, of the trustees are resident in Ireland, the residency of the trust will depend on where the general administration of the trust is carried on. In addition, the provisions of any relevant double tax agreement would need to be considered. As a result, each trust must be assessed on a case by case basis.

**"Personal Portfolio Investment Undertaking"** means an investment undertaking, under the terms of which some or all of the property of the undertaking may be, or was, selected by, or the selection of some or all of the property may be, or was, influenced by –

(i) the investor,
(ii) a person acting on behalf of the investor,
(iii) a person connected with the investor,
(iv) a person connected with a person acting on behalf of the investor,
(v) the investor and a person connected with the investor, or
(vi) a person acting on behalf of both the investor and a person connected with the investor.

An investment undertaking is not a Personal Portfolio Investment Undertaking if the only property which may or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

**"Relevant Declaration"** means the declaration relevant to the holder of Shares as set out in Schedule 2B of the Taxes Act.

**"Relevant Period"** means a period of 8 years beginning with the acquisition of a Share by a holder of Shares and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.

**"Taxes Act",** The Taxes Consolidation Act, 1997 (of Ireland) as amended.

**The Company**

The Company shall be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Act. Under current Irish law and practice, on that basis, it is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a "chargeable event" in the Company. A chargeable event includes any distribution payments to holders of Shares or any encashment, redemption, cancellation or transfer of Shares or appropriation or cancellation of Shares by the Company for the purposes of meeting the amount of tax payable on a gain arising on a transfer. It also includes the ending of a Relevant Period.

No tax will arise on the Company in respect of chargeable events in respect of a holder of Shares who is neither Irish Resident nor Irish Ordinary Resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

A chargeable event will not be deemed to arise if at the time of the chargeable event Equivalent Measures have been formally agreed with the Revenue Commissioners and the approval has not been withdrawn. In the absence of a Relevant Declaration or Equivalent Measures there is a presumption that the investor is Irish Resident or Irish Ordinary Resident.

Where a Relevant Declaration is required but is not provided to the Company by a holder of Shares or where approval is required in relation to appropriate Equivalent Measures but has not been received from the Irish Revenue Commissioners and tax is subsequently deducted by the Company on the occurrence of a chargeable event, Irish legislation provides for a refund of such tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

A chargeable event does not include:

- an exchange by a holder of Shares, effected by way of an arm's length bargain where no payment is made to the holder of Shares, of Shares in the Company for other Shares in the Company;
- any transactions (which might otherwise be a chargeable event) in relation to Shares held in a Recognised Clearing System;
- a transfer by a holder of Shares of the entitlement to a Share where the transfer is between spouses, former spouses, civil partners or former civil partners, subject to certain conditions;
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking; or
- any transaction in relation to, or in respect of, relevant Shares in an investment undertaking which transaction only arises by virtue of a change in the manager of funds administered by the Courts Service.

Where the chargeable event is the ending of a Relevant Period, to the extent that any tax arises on such a deemed disposal, such tax will be allowed as a credit against any tax payable on the subsequent encashment, redemption, cancellation or transfer of the relevant Shares.

In the case of Shares held in a Recognised Clearing System, the holder of Shares will have to account for the appropriate tax arising on the end of a Relevant Period on a self-assessment basis.

If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the holder of Shares or such beneficial owner of the Shares as are required to meet the amount of tax. The relevant holder of Shares and beneficial owner of Shares shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Please see the section below dealing with the tax consequences for the Company and the holders of Shares of chargeable events in respect of: -

(i) holders of Shares whose Shares are held in a Recognised Clearing System;
(ii) holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System; and
(iii) holders of Shares who are either Irish Residents or Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at a rate of 25% (with effect from 1 January 2020). However, the Company can make a declaration to the payer that it is a collective investment scheme beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

**(i) Holders of Shares whose Shares are held in a Recognised Clearing System**

Where Shares are held in a Recognised Clearing System, the obligation falls on the holder of Shares (rather than the Company) to self-account for any tax arising on a taxable event. In the case of an individual, tax currently at the rate of 41% should be accounted for by the holder of Shares in respect of any distributions and gains arising to the individual holder of Shares on an encashment, redemption or transfer of Shares by a holder of Shares. Where the investment constitutes a personal portfolio investment undertaking ("PPIU"), tax at a rate of 60% should be accounted for by the holder of Shares. This rate applies where the individual holder of Shares has correctly included details of the income in a timely tax return.

Where the holder of Shares is a company, any payment will be treated as income chargeable to tax under Case IV of Schedule D of the Taxes Act. An Irish Resident corporate holder of Shares whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade.

The holder of Shares will not have to self-account for tax on the occasion of a taxable event if (a) the holder of Shares is neither Irish Resident nor Irish Ordinary Resident, or (b) the holder of Shares is an Exempted Irish Investor (as defined above).

It should be noted that a Relevant Declaration or approval in relation to appropriate equivalent measures is not required to be made where the Shares, the subject of the application for subscription or registration of transfer on a transfer of Shares, are held in a Recognised Clearing System. It is the current intention of the Directors that all of the Shares will be held in a Recognised Clearing System.

If in the future, the Directors permit Shares to be held in certificated form outside a Recognised Clearing System, prospective investors for Shares on subscription and proposed transferees of Shares will be required to complete a Relevant Declaration as a pre-requisite to being issued Shares in the Company or being registered as a transferee of the Shares (as the case may be). A Relevant Declaration will not be required to be completed in this regard where the Company has received approval from the Irish Revenue Commissioners where appropriate equivalent measures have been put in place.

To the extent that any Shares are not held in a Recognised Clearing System, the following tax consequences will arise on a chargeable event.

**(ii) Holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System**

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a holder of Shares if (a) the holder of Shares is neither Irish Resident nor Irish Ordinary Resident, and the holders of Shares has made a Relevant Declaration and the Company has no reason to believe that the Relevant Declaration is incorrect or (b) the Company has put in place appropriate Equivalent Measures to ensure that holders of Shares in the Company are neither Irish Resident nor Irish Ordinary Resident. In the absence of a Relevant Declaration or the approval from the Irish Revenue Commissioners referred to above tax will arise on the happening of a chargeable event in the Company regardless of the fact that a holder of Shares is neither Irish Resident nor Irish Ordinary Resident. The appropriate tax that will be deducted is as described in paragraph (iii) below.

To the extent that a holder of Shares is acting as an Intermediary on behalf of persons who are neither Irish Residents nor Irish Ordinary Residents no tax will have to be deducted by the Company on the occasion of a chargeable event provided that the Intermediary has made a Relevant Declaration that they are acting on behalf of such persons and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or if the Company has received approval from the Irish Revenue Commissioners that appropriate Equivalent Measures are in place.

Holders of Shares who are neither Irish Residents nor Irish Ordinary Residents and who have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate holder of Shares which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from the Shares or gains made on disposal of the Shares.

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the holder of Shares, Irish legislation generally does not provide for a refund of tax. Refunds of tax will only be permitted in limited circumstances.

**(iii) Holders of Shares who are Irish Residents or Irish Ordinary Residents and their Shares are not held in a Recognised Clearing System**

Unless a holder of Shares is an Exempted Irish Investor (as defined above), makes a Relevant Declaration to that effect and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, tax will be required to be deducted by the Company from any distributions and other chargeable events in relation to a holder of Shares who is Irish Resident or Irish Ordinary Resident.

Tax at the rate of 41% will have to be deducted by the Company on any distribution or gain arising to the holder of Shares (other than a company which has made the required declaration) on an encashment, redemption, or transfer of Shares by a holder of Shares who is Irish Resident or Irish Ordinary Resident. Tax will also have to be deducted at the rate of 41% in respect of Shares held at the end of a Relevant Period (in respect of any excess in value of the cost of the relevant Shares) to the extent that the holder of Shares (other than a company which has made the required declaration) is Irish Resident or Ordinary Resident and is not an Exempted Irish Investor who has made a Relevant Declaration or in respect of whom the Irish Revenue Commissioners have given approval that appropriate Equivalent Measures are in place. Tax at a rate of 25% will have to be deducted by the Company where the holder of Shares is a company which has made the required declaration.

However, the Company will be exempt from making tax deductions in respect of distributions and gains on redemptions, cancellations, transfers or encashments of Shares held by Irish Residents and Irish Ordinary Residents where the relevant Shares are held in a Recognised Clearing System.

In certain circumstances the Company may elect not to deduct tax on the happening of a chargeable event. Should the Company make this election the holder of Shares will be liable to account for the tax payable under the self-assessment system of taxation.

Anti-avoidance provisions apply where an investment undertaking is regarded as a PPIU and the holder of Shares is an individual. In such circumstances any payment to a holder of Shares will be taxed at a rate of 60%. It is a matter of fact whether or not the investor or a connected person has a right of selection as envisaged in the anti-avoidance measures. Individual holders of Shares should seek independent legal advice to ascertain whether the investment undertaking, as a result of their personal circumstances, could be regarded as a PPIU.

Irish Resident corporate holders of Shares who receive distributions (where payments are made annually or at more frequent intervals) from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the Taxes Act from which tax at the 25% rate has been deducted. An Irish Resident corporate holder of Shares whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set-off against corporation tax payable for any tax deducted by the Company.

In general, non-corporate holders of Shares who are Irish Resident or Irish Ordinary Resident will not be subject to further Irish tax on income from their Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments received. Where a currency gain is made by a holder of Shares on the disposal of his/her Shares, such holder of Shares may be liable to Irish capital gains tax in the year of assessment in which the Shares are disposed of.

Any holder of Shares who is Irish Resident or Irish Ordinary Resident and receives a distribution or receives a gain on an encashment, redemption, cancellation or transfer of Shares from which tax has not been deducted by the Company may be liable to income tax or corporation tax on the amount of such distribution or gain.

There is an obligation on the Company to periodically report information to the Irish Revenue Commissioners in relation to certain holders of Shares and the value of their investments in the Company. The obligation arises in relation to holders of Shares who are either Irish Resident or Irish Ordinary Resident (other than Exempted Irish Investors).

**(iv) Irish Courts Service**

Where Shares are held by the Courts Service no tax is deducted by the Company on payments made to the Courts Service. Where money under the control or subject to the order of the Court Service is applied to acquire Shares in the Company, the Courts Service assumes, in respect of those Shares acquired, the responsibilities of the Company with regard to, inter alia, deduction of tax in respect of chargeable events, filing returns and collection of the tax.

In addition, the Courts Service must make, in respect of each year of assessment, on or before 28 February in the year following the year of assessment, a return to the Revenue Commissioners which:-

i) specifies the total amount of gains arising to the investment undertaking in respect of the units acquired and
ii) specifies in respect of each person who is or was beneficially entitled to those units-
   a. where available, the name and address of the person,
   b. the amount of total gains to which the person has beneficial entitlement, and
   c. such other information as the Revenue Commissioners may require.

**Stamp Duty**

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in kind transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or property.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stocks or marketable securities provided that the stocks or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is a collective investment scheme within the meaning of Section 739B of the Taxes Act) which is registered in Ireland.

No Stamp Duty will arise on reconstructions or amalgamations of investment undertakings under Section 739H of the Taxes Act, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax.

**Capital Acquisitions Tax**

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax) provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B of the Taxes Act), and that: (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland; (b) at the date of the disposition, the holder of Shares disposing of the Shares is neither domiciled nor ordinarily resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the "valuation date" (as defined for Irish Capital Acquisitions Tax purposes).

**FATCA ("Foreign Accounts Tax Compliance Act")**

The US-Ireland Agreement to Improve International Tax Compliance and to Implement FATCA (the "US-Ireland IGA") was entered into with the intention of enabling the Irish implementation of the Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act ("FATCA"), which impose a 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 Irish Revenue Commissioners (which information will in turn be provided to the US tax authority) pursuant to the US-Ireland IGA. It is expected that the Company will constitute a reporting financial institution for these purposes. The Company will not, however generally need to report any information to the Irish Revenue Commissioners in respect of US holders of Shares, on the basis that the Shares are expected to be treated as being regularly traded on an established securities market and should not, therefore, constitute financial accounts for FATCA purposes for so long as the Shares are listed on the London Stock Exchange or any other recognised stock exchange for Irish tax purposes. It may, however, still need to file a nil return with the Irish Revenue Commissioners. It is the intention of the Company and the Manager to procure that the Company is treated as complying with the terms of FATCA by complying with the terms of the reporting system contemplated by the US-Ireland IGA. No assurance can, however, be provided that the Company will 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 holders of Shares.

In light of the above, holders of Shares in the Company will be required to provide certain information to the Company (and/or broker, custodian or nominee though which an investor holds its shares in the Company) to comply with the terms of FATCA. Please note that the Manager has determined that US Persons are not permitted to own Shares in the Funds.

**CRS ("Common Reporting Standards")**

The Common Reporting Standard ("CRS") is a single global standard on Automatic Exchange Of Information ("AEOI"). It was approved by the Organisation for Economic Co-operation and Development ("OECD") in February 2014 and draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. Under the CRS, participating jurisdictions are required to exchange certain information held by financial institutions regarding their non-resident investors. The CRS was effective in Ireland from 1 January 2016. The Company will be required to provide certain information to the Irish Revenue Commissioners about non-Irish tax resident holders of Shares (which information will in turn be provided to the relevant tax authorities).

***Data protection notice - collection and exchange of information under the CRS***

For the purposes of complying with its obligations under the CRS as implemented in Irish law and to avoid the imposition of financial penalties thereunder, the Company may be required to collect certain information in respect of non-Irish resident direct and indirect individual beneficial owners of the Shares and, to the extent required pursuant to the CRS, to annually report such information to the Irish Revenue Commissioners. Such information includes the name, address, jurisdiction of residence, tax identification number (TIN), date and place of birth (as appropriate) of the non-Irish resident direct or indirect beneficial owners of the Shares; the "account number" and the "account balance" or value at the end of each calendar year; and the gross amount paid or credited to the Shareholder during the calendar year (including aggregate redemption payments).

Such information in relation to all non-Irish resident direct or indirect beneficial owners of the Shares will in turn be exchanged, in a secure manner, by the Irish Revenue Commissioners with the tax authorities of other relevant participating jurisdictions under the CRS in accordance with the requirements of (and solely for the purposes of compliance with) the CRS.

Further information in relation to the CRS can be found on the AEOI (Automatic Exchange of Information) webpage on www.revenue.ie.

All prospective investors should consult with their respective tax advisers regarding the possible implications of CRS on their investments in the Company.

**United Kingdom Taxation**

It is the intention of the Directors to conduct the affairs of the Company so that it does not become resident in the United Kingdom for taxation purposes. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom through a permanent establishment situated there, the Company will not be subject to United Kingdom corporation tax on its income or chargeable gains.

Subject to their personal circumstances, holders of Shares resident in the United Kingdom for taxation purposes may be liable to United Kingdom income tax or corporation tax in respect of any dividends or other income distributions of any Share Class of the Company (including any dividends funded out of realised capital profits of the Company). In addition, UK holders of Shares holding Shares at the end of each 'reporting period' (as defined for United Kingdom tax purposes) will potentially be subject to United Kingdom income tax or corporation tax on their portion of a Share Class's 'reported income', to the extent that this amount exceeds dividends received. The terms 'reported income', 'reporting period' and their implications are discussed in further detail below. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest, as described below. There is no withholding by the Company for Irish tax on dividends payable to United Kingdom investors on the basis that it is the current intention that all Shares will be held in a Recognised Clearing System (see previous section headed "Irish Taxation" for further details).

Where the Fund holds more than 60% of its assets in interest bearing (or similar) form, any distribution will be treated as interest in the hands of the UK individual investor. From 6 April 2016, there is no longer a notional 10% tax credit on dividend distributions. Instead, a £5,000 (2016/2017) tax free dividend allowance has been introduced for UK individuals. Dividends received in excess of this threshold will be subject to tax.

From 1 July 2009, following the enactment of Finance Act 2009, dividend distributions received by UK resident companies, including the Company, are likely to fall within one of a number of exemptions from United Kingdom corporation tax. In addition, distributions to non-UK companies carrying on a trade in the United Kingdom through a permanent establishment in the United Kingdom should also fall within the exemption from United Kingdom corporation tax on dividends to the extent that the Shares held by that company are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Shareholdings in the Company are likely to constitute interests in offshore funds, as defined in section 355 of the Taxation (International & other provisions) Act 2010 TIOPA 2010 for the purposes of the United Kingdom Finance Act 2008, with each Share Class of the Fund treated as a separate 'offshore fund' for these purposes.

The Offshore Funds (Tax) Regulations 2009 (SI2009/3001) provide that if an investor resident or ordinarily resident in the United Kingdom for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that investor upon the sale or other disposal of that interest will be charged to United Kingdom tax as income rather than a capital gain. Alternatively, where an investor resident or ordinarily resident in the United Kingdom holds an interest in an offshore fund that has been a 'reporting fund' for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to United Kingdom income tax or corporation tax on income (even where such profits are exempt from United Kingdom corporation tax).

Where an offshore fund may have been a non-reporting fund for part of the time during which the United Kingdom holders of Shares held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the holder of Shares in order to pro-rate any gain made upon disposal; the impact is that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits from the date of change in status of the fund in which they can be made.

It should be noted that a "disposal" for United Kingdom taxation purposes includes a switching between Funds and may include a switching between Share Classes of a Fund.

In broad terms, a 'reporting fund' is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its holders of Shares. The Directors intend to manage the affairs of the Company and the Funds so that these upfront and annual duties are met and continue to be met on an ongoing basis for each Share Class within the Fund that intends to seek United Kingdom reporting fund status with effect from inception. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for United Kingdom tax purposes) on a per-Share basis to all relevant holders of Shares. UK holders of Shares who hold their interests at the end of the reporting period to which the reported income relates, will be subject to income tax or corporation tax on the excess (if any) of the reported income over any distributions paid in respect of the reporting period. The excess reported income will be deemed to arise to UK holders of Shares six months following the last day of the reporting period.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant Share Classes the status should continue to apply on an ongoing basis, provided the annual requirements are undertaken. It is also the intention of the Company to maintain UK Reporting Fund status for these Share Classes for each accounting period thereafter.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

In accordance with Regulation 90 of the Offshore Funds (Tax) Regulations 2009, Shareholder reports are made available within six months of the end of the reporting period at www.ishares.com/en/pc/about/tax. The intention of the Offshore Fund Reporting regulations is that reportable income data shall principally be made available on a website accessible to UK investors. Alternatively, the holders of Shares may if they so require, request a hard copy of the reporting fund data for any given year. Such requests must be made in writing to the following address:

Head of Product Tax, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL.

Each such request must be received within three months of the end of the reporting period. Unless the Investment Manager is notified to the contrary in the manner described above, it is understood that investors do not require their report to be made available other than by accessing the appropriate website.

UK resident but non-UK domiciled investors who are subject to tax in the UK on the remittance basis should note that an investment in the 'reporting fund' unit classes is likely to constitute a mixed fund for their purposes. Further, there is no guarantee that the excess of reportable income over distributions paid in any given period will always be nil. Investors are encouraged to seek their own professional tax advice in this regard.

An individual holder of Shares domiciled or deemed for United Kingdom tax purposes domiciled in the United Kingdom may be liable to United Kingdom Inheritance Tax on their Shares in the event of death or on making certain categories of lifetime transfer.

The attention of individual holders of Shares ordinarily resident in the United Kingdom is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the United Kingdom and may render them liable to income tax in respect of undistributed income of the Company on an annual basis. The legislation is not directed towards the taxation of capital gains.

Corporate holders of Shares resident in the UK for taxation purposes should note that the "controlled foreign companies" legislation contained in Part 9A of TIOPA 2010 could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25 per cent or more of any chargeable profits of a non-UK resident company, where that non-UK resident company is controlled by residents of the UK and meets certain other criteria (broadly that it is resident in a low tax jurisdiction). "Control" is defined in Chapter 18, Part 9A of TIOPA 2010. A non-UK resident company is controlled by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40 per cent of the interests, rights and powers by which those persons control the non-UK resident company, and the other of whom has at least 40 per cent and not more than 55 per cent of such interests, rights and powers. The effect of these provisions could be to render such holders of Shares liable to UK corporation tax in respect of the income of the Company.

The attention of persons resident or ordinarily resident in the United Kingdom for taxation purposes (and who, if individuals, are also domiciled in the United Kingdom for those purposes) is drawn to the fact that the provisions of section 13 of the Taxation of Chargeable Gains Act 1992 could be material to any such person whose proportionate interest in the Company (whether as a holder of Shares or otherwise as a "participator" for United Kingdom taxation purposes) when aggregated with that of persons connected with that person is 10%, or greater, if, at the same time, the Company is itself controlled in such matter that it would, were it to be resident in the United Kingdom for taxation purposes, be a "close" company for those purposes. Section 13 could, if applied, result in a person with such an interest in the Company being treated for the purposes of United Kingdom taxation of chargeable gains as if a part of any capital gain accruing to the Company (such as on a disposal of any of its Investments) had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's proportionate interest in the Company (determined as mentioned above).

The attention of investors is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 that could apply if investors are seeking to obtain tax advantages in prescribed conditions.

Under the corporate debt tax regime in the United Kingdom any corporate investor subject to United Kingdom corporation tax will be taxed on the increase in value of its holding on a fair value basis (rather than on disposal) or will obtain tax relief on any equivalent decrease in value, if the Investments held by the offshore fund within which the investor invests, consist of more than 60% (by value) of "qualifying investments". Qualifying investments are broadly those, which yield a return directly or indirectly in the form of interest.

Transfer taxes may be payable by the Company in the United Kingdom and elsewhere in relation to the acquisition and/or disposal of Investments. In particular, stamp duty reserve tax at the rate of 0.5% (or, if the transfer takes place in dematerialised form, stamp duty reserve tax at an equivalent rate) will be payable by the Company in the United Kingdom on the acquisition of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom. This liability will arise in the course of the Company's normal investment activity and on the acquisition of Investments from subscribers on subscription for Shares.

The Shares in the Company can be held in Individual Savings Accounts or Self-invested Personal Pensions or personalised portfolio bonds.

In the absence of an exemption applicable to a prospective holder of Shares (such as that available to intermediaries under section 88A of the Finance Act 1986) stamp duty reserve tax (or stamp duty) at the same rate as above will also be payable by prospective holders of Shares on the acquisition of shares in companies incorporated in the United Kingdom or which maintain a share register in the United Kingdom for the purpose of subsequent subscription for Shares, and may arise on the transfer of Investments to holders of Shares on redemption.

Because the Company is not incorporated in the United Kingdom and the register of holders of Shares will be kept outside the United Kingdom, no liability to stamp duty reserve tax will arise by reason of the transfer, subscription for or redemption of Shares except as stated above. Liability to stamp duty will not arise provided that any instrument in writing transferring Shares in the Company is executed and retained at all times outside the United Kingdom.

It is the intention of the Company that assets held by the Funds will generally be held for investment purposes and not for the purposes of trading. Even if Her Majesty's Revenue & Customs ("HMRC") successfully argued that a Fund is trading for UK tax purposes, it is expected that the conditions of the Investment Management Exemption ("IME") should be met, although no guarantee is given in this respect. Assuming that the requirements of the IME are satisfied, the Fund should not be subject to UK tax in respect of the profits/gains earned on its investments (except in respect of income for which every investor is inherently subject to UK tax). This is on the basis that the investments held by the Funds meet the definition of a "specified transaction" as defined in The Investment Manager (Specified Transactions) Regulations 2009. It is expected that the assets held by the Company should meet the definition of a "specified transaction", although no guarantee is given in this respect.

If the Company failed to satisfy the conditions of the IME or if any investments held are not considered to be a "specified transaction", this may lead to tax leakage within the Funds.

In addition to the above, if HMRC successfully argue that a Fund is trading for UK tax purposes, the returns earned by the Fund from its interest in the underlying assets may need to be included in the Fund's calculation of "income" for the purposes of computing the relevant amount to report to investors in order to meet the requirements for UK Reporting Fund status. However, it is considered that the investments held by the Funds should meet the definition of an "investment transaction" as defined by The Offshore Funds (Tax) Regulations 2009 ("the regulations") which came into force on 1 December 2009. Therefore, it is considered that these investments should be considered as "non-trading transactions" as outlined in the regulations. This assumption is on the basis that the Company meets both the "equivalence condition" and the "genuine diversity of ownership" condition as outlined in the regulations.

Investors who are insurance companies subject to United Kingdom taxation holding their Shares in a Fund for the purposes of their long-term business (other than their pensions business) will be deemed to dispose of and immediately reacquire those Shares at the end of each accounting period. In general terms, the chargeable gains and allowable losses arising under the annual deemed disposal rules are aggregated and one-seventh of the net amount thus emerging is chargeable (where there are net gains) or allowable (where there are net losses) at the end of the accounting period in which the deemed disposals have taken place.

**Other jurisdictions**

The following sets out a summary of the tax status that Shares have obtained in various jurisdictions. Please note that this summary does not set out the tax implications for investors resident in such jurisdictions and the investors should refer to their tax advisors in relation to tax implications on investing in a Share Class.

**German Taxation**

It is the intention of the Company to seek to maintain the status as "equity funds" or "mixed funds" (as applicable) pursuant to Sec. 2 para. 6 and 7 of the German Investment Tax Act as applicable from 1 January 2018 for the Funds listed in the table below.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

The Funds listed below invest, at least, the following proportions of their respective net asset value on a continuous basis directly in Equities (as defined below in accordance with Sec. 2 para. 8 of the German Investment Tax Act as at 1 January 2018):

| Fund | Minimum % of net asset value invested in Equities |
|---|---|
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF | N/A |
| iShares $ Corp Bond UCITS ETF | N/A |
| iShares $ Treasury Bond 0-1yr UCITS ETF | N/A |
| iShares $ Treasury Bond 1-3yr UCITS ETF | N/A |
| iShares $ Treasury Bond UCITS ETF | N/A |
| iShares € Corp Bond Large Cap UCITS ETF | N/A |
| iShares € Govt Bond 1-3yr UCITS ETF | N/A |
| iShares € High Yield Corp Bond UCITS ETF | N/A |
| iShares € Inflation Linked Govt Bond UCITS ETF | N/A |
| iShares £ Corp Bond 0-5yr UCITS ETF | N/A |
| iShares AEX UCITS ETF | 51% |
| iShares Asia Pacific Dividend UCITS ETF | 51% |
| iShares China Large Cap UCITS ETF | 51% |
| iShares Core £ Corp Bond UCITS ETF | N/A |
| iShares Core FTSE 100 UCITS ETF | 70% |
| iShares Core MSCI EM IMI UCITS ETF | 51% |
| iShares Core S&P 500 UCITS ETF USD (Dist) | 75% |
| iShares Euro Dividend UCITS ETF | 51% |
| iShares EURO STOXX Mid UCITS ETF | 60% |
| iShares EURO STOXX Small UCITS ETF | 51% |
| iShares Euro Total Market Growth Large UCITS ETF | 60% |
| iShares Euro Total Market Value Large UCITS ETF | 65% |
| iShares European Property Yield UCITS ETF | 0% |
| iShares FTSE 250 UCITS ETF | 0% |
| iShares Global Corp Bond UCITS ETF | N/A |
| iShares Global High Yield Corp Bond UCITS ETF | N/A |
| iShares MSCI AC Far East ex-Japan UCITS ETF | 51% |
| iShares MSCI Brazil UCITS ETF USD (Dist) | 51% |
| iShares MSCI Eastern Europe Capped UCITS ETF | 51% |
| iShares MSCI EM UCITS ETF USD (Dist) | 55% |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | 60% |
| iShares MSCI Europe ex-UK UCITS ETF | 65% |
| iShares MSCI Japan UCITS ETF USD (Dist) | 51% |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | 51% |
| iShares MSCI Korea UCITS ETF USD (Dist) | 51% |
| iShares MSCI North America UCITS ETF | 75% |
| iShares MSCI Taiwan UCITS ETF | 80% |
| iShares MSCI World UCITS ETF | 65% |
| iShares UK Dividend UCITS ETF | 51% |

Each Fund calculates the indicated investment level on the basis of its net asset value. Pursuant to Sec. 2 para. 9a sentence 3 of the German Investment Tax Act as applicable from 1 January 2018 the value of the Equities is therefore reduced by the loans raised by the respective Fund proportionally to the percentage of the value of the Equities among the value of all gross assets of this Fund.

Corporate actions, subscriptions/redemptions, index rebalancings and market movements may temporarily cause a Fund not to meet the Equities investment levels set out above. The Funds may also enter into securities lending

for the purpose of efficient portfolio management. The Equities investment levels set out above are exclusive of Equities that are lent out.

For the purpose of the above percentage numbers, "Equities" means in accordance with Sec. 2 para. 8 of the German Investment Tax Act as applicable from 1 January 2018:

1. Shares of a corporation which are admitted to official trading on a stock exchange or listed on an organised market (which is a market recognised and open to the public and which operates in a due and proper manner),
2. Shares of a corporation, which is not a real estate company and which:
    a. is resident in a Member State or a member state of the EEA and is subject to income taxation for corporations in that state and is not tax exempt; or
    b. is resident in any other state and is subject to an income taxation for corporations in that state at a rate of at least 15% and is not exempt from such taxation,
3. Fund units of an equity fund (being a fund that invests more than 50% of its gross assets on a continuous basis directly in Equities) with 51% of the equity fund units' value – or, if the investment conditions of the equity fund provide for a higher minimum Equities investment, with the respective higher percentage of the equity fund units' value – being taken into account as Equities, or
4. Fund units of a mixed fund (being a fund that invests at least 25% of its gross assets on a continuous basis directly in Equities) with 25% of the mixed fund units' value – or, if the investment conditions of the mixed fund provide for a higher minimum Equities investment, with the respective higher percentage of the equity fund units' value – being taken into account as Equities.

For purposes of calculating the investment levels set out above, the Funds may also consider the actual Equities quotas of the target funds published on each valuation day, provided that a valuation takes place at least once per week.

For the purpose of the above percentage numbers, the following in accordance with Sec. 2 para. 8 of the German Investment Tax Act as applicable from 1 January 2018 do not qualify as "Equities":

1. Shares in partnerships, even if the partnerships are holding themselves shares in corporations,
2. Shares in corporations, which pursuant to Sec. 2 para. 9 sentence 6 of the German Investment Tax Act qualify as real estate,
3. Shares in corporations which are exempt from income taxation, to the extent these corporations are distributing their profits, unless the distributions are subject to a taxation of at least 15% and the investment fund is not exempt from this taxation, and
4. Shares in corporations,
    a. whose income is directly or indirectly to more than 10% derived from shares in corporations, which do not fulfil the requirements of no. 2 a. or b. above, or
    b. which are holding directly or indirectly shares in corporations that do not fulfil the requirements of no. 2. a. or b. above, if the value of these participations amounts to more than 10% of the market value of the corporations.

The above reflects the Manager's understanding of the relevant German tax legislation at the date of this Prospectus. The legislation is subject to change and so adjustments to these figures may be made without prior notice.

**Austrian Taxation**

It is the intention of the Company to seek Austrian Reporting Fund status for Share Classes with a EUR or USD Valuation Currency.

Investors should refer to their tax advisors in relation to the implications of the Company obtaining such status.

Up to date listings of the various tax reporting statuses obtained by the Company are available on the "Tax Information" section of the iShares website at www.ishares.com.

# SCHEDULE I

**The Regulated Markets**

With the exception of permitted investment in unlisted securities and off-exchange FDI, investment in securities or FDI will be made only in securities or FDI which are listed or traded on stock exchanges and markets listed below in this Prospectus or any Supplement thereto or revision thereof. The list is currently as follows:

**Recognised Investment Exchanges**

1. Recognised investment exchanges in any Member State (except Malta), Australia, Canada, Hong Kong, Iceland, Japan, Norway, New Zealand, Switzerland, the United Kingdom or the United States.

2. The following recognised investment exchanges:

| | |
|---|---|
| **Argentina** | Bolsa de Comercio de Buenos Aires<br>Mercado Abierto Electronico S.A. |
| **Bahrain** | Bahrain Bourse |
| **Bangladesh** | Dhaka Stock Exchange |
| **Brazil** | BM&F BOVESPA S.A. |
| **Chile** | Bolsa de Comercio de Santiago<br>Bolsa Electronica de Chile |
| **China** | Shanghai Stock Exchange<br>Shenzhen Stock Exchange<br>Stock Connect<br>Bond Connect |
| **Colombia** | Bolsa de Valores de Colombia |
| **Egypt** | Egyptian Stock Exchange |
| **India** | Bombay Stock Exchange, Ltd.<br>National Stock Exchange |
| **Indonesia** | Indonesian Stock Exchange |
| **Israel** | Tel Aviv Stock Exchange |
| **Jordan** | Amman Stock Exchange |
| **The Republic of Korea** | Korea Exchange (Stock Market)<br>Korea Exchange (KOSDAQ) |
| **Kenya** | Nairobi Securities Exchange |
| **Kuwait** | Kuwait Stock Exchange |
| **Malaysia** | Bursa Malaysia Securities Berhad<br>Bursa Malaysia Derivatives Berhad |
| **Mauritius** | Stock Exchange of Mauritius |
| **Mexico** | Bolsa Mexicana de Valores |
| **Morocco** | Casablanca Stock Exchange |
| **Nigeria** | Nigeria Stock Exchange |
| **Oman** | Muscat Securities Market |
| **Pakistan** | Karachi Stock Exchange |
| **Peru** | Bolsa de Valores de Lima |
| **Philippines** | Philippines Stock Exchange |
| **Qatar** | Qatar Exchange |
| **Russia** | Open Joint Stock Company<br>Moscow Exchange MICEX-RTS<br>(Moscow Exchange) |
| **Saudi Arabia** | Tadawul Stock Exchange |
| **Singapore** | Singapore Exchange Limited |
| **South Africa** | JSE Limited |
| **Sri Lanka** | Colombo Stock Exchange |
| **Taiwan** | Taiwan Stock Exchange |
| **Thailand** | Stock Exchange of Thailand |
| **Turkey** | Istanbul Stock Exchange |

| | |
|---|---|
| **UAE – Abu Dhabi** | Abu Dhabi Securities Exchange |
| **UAE – Dubai** | Dubai Financial Market<br>NASDAQ Dubai Limited |
| **Vietnam** | Ho Chi Minh Stock Exchange |

**Markets**

3. The following regulated markets including regulated markets on which FDI may be traded:

(a) the markets organised by the International Capital Market Association;

(b) the market conducted by "listed money market institutions" as described in the Bank of England publication "The Regulation of the Wholesale Cash and OTC Derivatives Markets (in Sterling, foreign currency and bullion)";

(c) AIM – the Alternative Investment Market in the UK, regulated and operated by the LSE;

(d) NASDAQ in the United States;

(e) the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

(f) the over-the-counter market in the United States regulated by the Financial Industry Regulatory Authority and reportable on TRACE;

(g) the over-the-counter market in the United States regulated by MarketAxess;

(h) the over-the-counter market in the United States regulated by National Association Of Securities Dealers (NASD);

(i) the French market for "Titres de Creance Negotiable" (over-the-counter market in negotiable debt instruments);

(j) The Korea Exchange (Futures Market);

(k) the over-the-counter market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organisation of Canada;

(l) the China Interbank Bond Market;

(m) any approved derivative market within the European Economic Area on which FDI are traded;

(n) EUROTLX (Multilateral Trading Facility);

(o) HI_MTF (Multilateral Trading Facility);

(p) NASDAQ OMX Europe (NEURO) (Multilateral Trading Facility);

(q) EURO MTF for securities (Multilateral Trading Facility);

(r) MTS Austria (Multilateral Trading Facility);

(s) MTS Belgium (Multilateral Trading Facility);

(t) MTS France (Multilateral Trading Facility);

(u) MTS Ireland (Multilateral Trading Facility);

(v) NYSE Bondmatch (Multilateral Trading Facility);

(w) POWERNEXT (Multilateral Trading Facility);

(x) Tradegate AG (Multilateral Trading Facility).

The above markets are listed in accordance with the requirements of the Central Bank, it being noted the Central Bank does not issue a list of approved markets or stock exchanges.

# SCHEDULE II

**Investment Techniques and Instruments for Efficient Portfolio Management/Direct Investment Purposes**

**A. Investment in FDI**

The following provisions apply whenever a Fund proposes to engage in transactions in FDI including, but not limited to, futures, forwards, swaps, inflation swaps (which may be used to manage inflation risk), options, swaptions and warrants, where the transactions are for the purposes of the efficient portfolio management of any Fund or for direct investment purposes (and such intention is disclosed in the Fund's investment policy). Where it does intend to engage in transactions in relation to FDI, the Manager will employ a risk management process to enable it to manage, monitor and measure, on a continuous basis, the various risks associated with FDI and their contribution to the overall risk profile of a Fund's portfolio. Only FDI which have been included in the risk management process will be used. The Company will, on request, provide supplemental information to holders of Shares relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The conditions and limits for the use of such techniques and instruments in relation to each Fund are as follows:

1. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)

2. A Fund may invest in FDI dealt OTC provided that the counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

3. Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

**B. Efficient Portfolio Management - other techniques and instruments**

1. In addition to the investments in FDI noted above in Section A of this Schedule II, the Company may employ other techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management purposes subject to the conditions imposed by the Central Bank such as repurchase/reverse repurchase agreements, ("repo contracts") and securities lending. Techniques and instruments which relate to transferable securities and money market instruments and which are used for the purpose of efficient portfolio management, including FDI which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

   (a) they are economically appropriate in that they are realised in a cost-effective way;

   (b) they are entered into for one or more of the following specific aims:

      (i) reduction of risk;

      (ii) reduction of cost;

      (iii) generation of additional capital or income for a Fund with a level of risk which is consistent with the risk profile of a Fund and the risk diversification rules set out in the Central Bank UCITS Regulations;

   (c) their risks are adequately captured by the risk management process of a Fund; and

   (d) they cannot result in a change to a Fund's declared investment objectives or add substantial supplementary risks in comparison to the general risk policy as described in the sales documents.

   Techniques and instruments (other than FDI) may be used for efficient portfolio management purposes subject to the conditions set out below.

2. The following applies to repo contracts and securities lending arrangements, in particular, and reflects the requirements of the Central Bank:

   (a) Repo contracts and securities lending may only be effected in accordance with normal market practice.

   (b) The Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.

   (c) Repo contracts or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

(d) Where the Company enters into repurchase agreements, it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

(e) Where the Company enters into reverse repurchase agreements, it must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of a Fund's Net Asset Value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

(f) The Manager conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Manager without delay.

**C. Risks and potential conflicts of interest involved in efficient portfolio management techniques.**

There are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities (see further below). Please refer to the section of this Prospectus entitled "Conflicts of Interest" and "Risk Factors" and, in particular but without limitation, the risk factors relating to FDI risks, counterparty risk and counterparty risk to the Depositary and other depositaries. These risks may expose investors to an increased risk of loss.

**D. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques**

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No.575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No.648/2012.*

(a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("Collateral"), such as repo contracts or securities lending arrangements, must comply with the following criteria:

(i) liquidity: Collateral (other than cash) should be highly liquid and traded on a Regulated Market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should also comply with the provisions of Regulation 74 of the Regulations;

(ii) valuation: Collateral should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) issuer credit quality: Collateral should be of high quality. The Manager shall ensure that:

A. where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager in the credit assessment process; and

B. where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (A) this shall result in a new credit assessment being conducted of the issuer by the Manager without delay;

(iv) correlation: Collateral should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Manager to expect that such Collateral would not display a high correlation with the performance of the counterparty;

(v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies set out in Schedule III, paragraph 2.12. Such a Fund should receive securities from at least six different issues, but

securities from any single issue should not account for more than 30% of the Fund's Net Asset Value; and

(vi) immediately available: Collateral should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.

(b) Subject to the above criteria, Collateral must be in the form of one of the following:

(i) cash;

(ii) government or other public securities;

(iii) certificates of deposit issued by Relevant Institutions;

(iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where the issue or the issuer are rated A1 or equivalent;

(v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions; and

(vi) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia, New Zealand, Taiwan, Singapore, Hong Kong and the United Kingdom.

(c) Until the expiry of the repo contract or securities lending arrangement, collateral obtained under such contracts or arrangements:

(i) must be marked to market daily; and

(ii) is intended to equal or exceed the value of the amount invested or securities loaned plus a premium.

(d) Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.

(e) **Non-cash Collateral:**

Non- cash Collateral cannot be sold, re-invested or pledged.

(f) **Cash Collateral:**

Cash as Collateral may only be:

(i) placed on deposit with Relevant Institutions;

(ii) invested in high quality government bonds;

(iii) used for the purpose of reverse repurchase agreements provided the transactions are with Relevant Institutions and the Company can recall at any time the full amount of the cash on an accrued basis; and

(iv) invested in short term money market funds.

Re-invested Cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral.

(g) The Company has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

(h) The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in Schedule III, paragraph 2.8.

# SCHEDULE III

**Investment Restrictions**

Investment of the assets of the relevant Fund must comply with the Regulations. The Regulations provide:

| 1 | **Permitted Investments** |
|---|---|
| | Investments of a Fund are confined to: |
| **1.1** | Transferable securities and money market instruments, as prescribed in the Central Bank UCITS Regulations, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State. |
| **1.2** | Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year. |
| **1.3** | Money market instruments other than those dealt on a regulated market. |
| **1.4** | Units of UCITS. |
| **1.5** | Units of non-UCITS as set out in the Central Bank's guidance entitled "UCITS Acceptable Investment in other Investment Funds". |
| **1.6** | Deposits with credit institutions as prescribed in the Central Bank UCITS Regulations. |
| **1.7** | FDI as prescribed in the Central Bank UCITS Regulations. |
| **2** | **Investment Restrictions** |
| **2.1** | Each Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1. |
| **2.2** | Each Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by a Fund in certain US securities known as Rule 144A securities provided that:<br>- the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and<br>- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund. |
| **2.3** | Subject to paragraph 2.4, each Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%. |
| **2.4** | The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund. |
| **2.5** | The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members. |
| **2.6** | The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3. |
| **2.7** | Each Fund may not invest more than 20% of its Net Asset Value in deposits and cash booked in accounts and held as ancillary liquidity with the same credit institution.<br><br>Deposits, or cash booked in accounts and held as ancillary liquidity, shall only be made with a credit institution which is within at least one of the following categories:<br><br>• a credit institution authorised in the EEA (a Member State, Norway, Iceland, Liechtenstein);<br>• a credit institution authorised within a signatory state (other than an EEA member state) to the |

Basle Capital Convergence Agreement of July 1988; or

- a credit institution in a third country deemed equivalent pursuant to Article 107(4) of the Regulation (EU) No.575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No.648/2012.

**2.8** The risk exposure of a Fund to a counterparty to an OTC FDI may not exceed 5% of its Net Asset Value.

This limit is raised to 10% in the case of a credit institution which is within at least one of the categories of credit institution specified in paragraph 2.7.

**2.9** Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of a Fund's Net Asset Value:

- investments in transferable securities or money market instruments;
- deposits, and/or
- counterparty risk exposures arising from OTC FDI transactions.

**2.10** The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of a Fund's Net Asset Value.

**2.11** Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of a Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.

**2.12** Each Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

The individual issuers must be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of the People's Republic of China, Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank , Tennessee Valley Authority and Straight-A Funding LLC.

Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

**3 Investment in Collective Investment Schemes ("CIS")**

**3.1** Subject to section 3.2, investments made by a Fund in units of other CIS may not exceed, in aggregate, 10% of the assets of the Fund.

**3.2** Notwithstanding the provisions of section 3.1, where the investment policy of a Fund states in the Prospectus or a Supplement that it may invest more than 10% of its assets in other UCITS or collective investment schemes, the following restrictions shall apply instead of the restrictions set out at section 3.1 above:

(a) Each Fund may not invest more than 20% of its Net Asset Value in any one CIS.

(b) Investments in non-UCITS CIS may not, in aggregate, exceed 30% of its Net Asset Value.

**3.3** The CIS are prohibited from investing more than 10% of net assets in other CIS.

**3.4** When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, switching or redemption fees on account of the Fund's investment in the units of such other CIS.

**3.5** Where a commission (including a rebated commission) is received by the Fund's manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

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| **3.6** | Where the investment policy of a Fund states that it may invest in other Funds of the Company, the following restrictions will apply:<br><br>• a Fund will not invest in another Fund of the Company which itself holds Shares in other Funds within the Company;<br><br>• a Fund which invests in another Fund of the Company will not be subject to subscription, switching or redemption fees; and<br><br>• the Manager will not charge a management fee to a Fund in respect of that portion of the Fund's assets invested in another Fund of the Company (this provision also applies to the annual fee charged by the Investment Manager where this fee is paid directly out of the assets of the Company). |
| **4** | **Index Tracking UCITS** |
| **4.1** | A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank |
| **4.2** | The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions, for example, market dominance. Market dominance exists where a particular constituent of a Benchmark Index has a dominant position in the particular market sector in which it operates and as such accounts for a large proportion of a Benchmark Index. |
| **5** | **General Provisions** |
| **5.1** | An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body. |
| **5.2** | A UCITS may acquire no more than:<br>(i) 10% of the non-voting shares of any single issuing body;<br>(ii) 10% of the debt securities of any single issuing body;<br>(iii) 25% of the units of any single CIS;<br>(iv) 10% of the money market instruments of any single issuing body.<br><br>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated. |
| **5.3** | 5.1 and 5.2 shall not be applicable to:<br><br>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;<br>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;<br>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;<br>(iv) shares held by a Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.<br>(v) shares held by an investment company or investment companies in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf. |
| **5.4** | A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets. |
| **5.5** | The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.11, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading. |
| **5.6** | If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its holders of Shares. |

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| **5.7** | A Fund may not carry out uncovered sales of:<br>- transferable securities;<br>- money market instruments•;<br>- units of CIS; or<br>- FDI. |
| **5.8** | A Fund may hold ancillary liquid assets. |
| **6** | **FDI** |
| **6.1** | Any Fund's global exposure (as prescribed in the Central Bank UCITS Regulations) relating to FDI must not exceed its total Net Asset Value. |
| **6.2** | Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.) |
| **6.3** | Any Fund may invest in FDI dealt OTC provided that<br>- The counterparties to OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank. |
| **6.4** | Investment in FDI are subject to the conditions and limits laid down by the Central Bank. |

**Borrowing Restrictions**

The Regulations provide that the Company in respect of each Fund:

(a) may not borrow, other than borrowings which in the aggregate do not exceed 10% of the Net Asset Value of the Fund and provided that this borrowing is on a temporary basis. The Depositary may give a charge on the assets of the Fund in order to secure borrowings. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding;

(b) may acquire foreign currency by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowings for the purpose of the borrowing restriction in paragraph (a), provided that the offsetting deposit: (i) is denominated in the Base Currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding. However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purposes of paragraph (a) above.

• Any short selling of money market instruments by UCITS is prohibited.

# SCHEDULE IV

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ISHARES CORE MSCI EM IMI UCITS ETF, ISHARES MSCI AC FAR EAST EX-JAPAN UCITS ETF, ISHARES MSCI BRAZIL UCITS ETF USD (DIST), ISHARES MSCI EASTERN EUROPE CAPPED UCITS ETF, ISHARES MSCI EM UCITS ETF USD (DIST), ISHARES MSCI EUROPE EX-UK GBP HEDGED UCITS ETF (DIST), ISHARES MSCI EUROPE EX-UK UCITS ETF, ISHARES MSCI JAPAN UCITS ETF USD (DIST), ISHARES MSCI JAPAN USD HEDGED UCITS ETF (ACC), ISHARES MSCI KOREA UCITS ETF USD (DIST), ISHARES MSCI NORTH AMERICA UCITS ETF, ISHARES MSCI TAIWAN UCITS ETF AND ISHARES MSCI WORLD UCITS ETF, (THE "FUNDS") ARE NOT SPONSORED, ENDORSED, SOLD OR PROMOTED BY MSCI INC. ("MSCI"), ANY OF ITS AFFILIATES, ANY OF ITS INFORMATION PROVIDERS OR ANY OTHER THIRD PARTY INVOLVED IN, OR RELATED TO, COMPILING, COMPUTING OR CREATING ANY MSCI INDEX (COLLECTIVELY, THE "MSCI PARTIES"). THE MSCI INDEXES ARE THE EXCLUSIVE PROPERTY OF MSCI. MSCI AND THE MSCI INDEX NAMES ARE SERVICE MARK(S) OF MSCI OR ITS AFFILIATES AND HAVE BEEN LICENSED FOR USE FOR CERTAIN PURPOSES BY BLACKROCK ADVISORS (UK) LIMITED AND ITS AFFILIATES. NONE OF THE MSCI PARTIES MAKES ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, TO THE ISSUER OR OWNERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY REGARDING THE ADVISABILITY OF INVESTING IN FUNDS GENERALLY OR IN THE FUNDS PARTICULARLY OR THE ABILITY OF ANY MSCI INDEX TO TRACK CORRESPONDING STOCK MARKET PERFORMANCE. MSCI OR ITS AFFILIATES ARE THE LICENSORS OF CERTAIN TRADEMARKS, SERVICE MARKS AND TRADE NAMES AND OF THE MSCI INDEXES WHICH ARE DETERMINED, COMPOSED AND CALCULATED BY MSCI WITHOUT REGARD TO THE FUNDS OR THE ISSUER OR OWNERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY. NONE OF THE MSCI PARTIES HAS ANY OBLIGATION TO TAKE THE NEEDS OF THE ISSUER OR OWNERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE MSCI INDEXES. NONE OF THE MSCI PARTIES IS RESPONSIBLE FOR OR HAS PARTICIPATED IN THE DETERMINATION OF THE TIMING OF, PRICES AT, OR QUANTITIES OF THE FUNDS TO BE ISSUED OR IN THE DETERMINATION OR CALCULATION OF THE EQUATION BY OR THE CONSIDERATION INTO WHICH THE FUNDS ARE REDEEMABLE. FURTHER, NONE OF THE MSCI PARTIES HAS ANY OBLIGATION OR LIABILITY TO THE ISSUER OR OWNERS OF THE FUNDS OR ANY OTHER PERSON OR ENTITY IN CONNECTION WITH THE ADMINISTRATION, MARKETING OR OFFERING OF THE FUNDS.

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Indexed to MSCI

THE MARKIT IBOXX USD LIQUID INVESTMENT GRADE INDEX, THE MARKIT IBOXX USD LIQUID INVESTMENT GRADE INTEREST RATE HEDGED INDEX, THE MARKIT IBOXX GBP CORPORATES 0-5 INDEX, THE MARKIT IBOXX GBP LIQUID CORPORATES LARGE CAP INDEX, THE MARKIT IBOXX EUR LIQUID CORPORATES LARGE CAP INDEX, THE MARKIT IBOXX EURO LIQUID HIGH YIELD INDEX AND THE MARKIT IBOXX GLOBAL DEVELOPED MARKETS LIQUID HIGH YIELD CAPPED INDEX (THE "INDICES") REFERENCED HEREIN ARE THE PROPERTY OF MARKIT INDICES LIMITED ("INDEX SPONSOR") AND HAVE BEEN LICENSED FOR USE IN CONNECTION WITH ISHARES $ CORP BOND INTEREST RATE HEDGED UCITS ETF, ISHARES $ CORP BOND UCITS ETF, ISHARES € CORP BOND LARGE CAP UCITS ETF, ISHARES € HIGH YIELD CORP BOND UCITS ETF, ISHARES £ CORP BOND 0-5YR UCITS ETF, ISHARES CORE £ CORP BOND UCITS ETF, AND ISHARES GLOBAL HIGH YIELD CORP BOND UCITS ETF (THE "FUNDS"). EACH PARTY ACKNOWLEDGES AND AGREES THAT THE FUNDS ARE NOT SPONSORED, ENDORSED OR PROMOTED BY THE INDEX SPONSOR. THE INDEX SPONSOR MAKE NO REPRESENTATION WHATSOEVER, WHETHER EXPRESS OR IMPLIED, AND HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES (INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE), WITH RESPECT TO THE INDICES OR ANY DATA INCLUDED THEREIN OR RELATING THERETO, AND IN PARTICULAR DISCLAIM ANY WARRANTY EITHER AS TO THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE INDICES OR ANY DATA INCLUDED THEREIN, THE RESULTS OBTAINED FROM THE USE OF THE INDICES AND/OR THE COMPOSITION OF THE INDICES AT ANY PARTICULAR TIME ON ANY PARTICULAR DATE OR OTHERWISE AND/OR THE CREDITWORTHINESS OF ANY ENTITY, OR THE LIKELIHOOD OF THE OCCURRENCE OF A CREDIT EVENT OR SIMILAR EVENT (HOWEVER DEFINED) WITH RESPECT TO AN OBLIGATION, IN THE INDICES AT ANY PARTICULAR TIME ON ANY PARTICULAR DATE OR OTHERWISE. THE INDEX SPONSOR SHALL NOT BE LIABLE (WHETHER IN NEGLIGENCE OR OTHERWISE) TO THE PARTIES OR ANY OTHER PERSON FOR ANY ERROR IN THE INDICES, AND THE INDEX SPONSOR IS UNDER NO OBLIGATION TO ADVISE THE PARTIES OR ANY PERSON OF ANY ERROR THEREIN. THE INDEX SPONSOR MAKES NO REPRESENTATION WHATSOEVER, WHETHER EXPRESS OR IMPLIED, AS TO THE ADVISABILITY OF PURCHASING OR SELLING FUND, THE ABILITY OF THE INDICES TO TRACK RELEVANT MARKETS' PERFORMANCES, OR OTHERWISE RELATING TO THE INDICES OR ANY TRANSACTION OR PRODUCT WITH RESPECT THERETO, OR OF ASSUMING ANY RISKS IN CONNECTION THEREWITH. THE INDEX SPONSOR HAS NO OBLIGATION TO TAKE THE NEEDS OF ANY PARTY INTO CONSIDERATION IN DETERMINING, COMPOSING OR CALCULATING THE INDICES. NO PARTY PURCHASING OR SELLING FUND, NOR THE INDEX SPONSOR, SHALL HAVE ANY LIABILITY TO ANY PARTY FOR ANY ACT OR FAILURE TO ACT BY THE INDEX SPONSOR IN CONNECTION WITH THE DETERMINATION, ADJUSTMENT, CALCULATION OR MAINTENANCE OF THE INDICES. EACH PARTY ACKNOWLEDGES THAT THE OTHER PARTY OR ONE OF ITS AFFILIATES MAY BE, OR MAY BE AFFILIATED WITH, THE INDEX SPONSOR AND, AS SUCH, MAY BE ABLE TO AFFECT OR INFLUENCE THE DETERMINATION, ADJUSTMENT OR MAINTENANCE OF THE INDICES. THE INDEX SPONSOR AND ITS AFFILIATES MAY DEAL IN ANY OBLIGATIONS THAT COMPOSE THE INDICES, AND MAY, WHERE PERMITTED, ACCEPT DEPOSITS FROM, MAKE LOANS OR OTHERWISE EXTEND CREDIT TO, AND GENERALLY ENGAGE IN ANY KIND OF COMMERCIAL OR INVESTMENT BANKING OR OTHER BUSINESS WITH THE ISSUERS OF SUCH OBLIGATIONS OR THEIR AFFILIATES, AND MAY ACT WITH RESPECT TO SUCH BUSINESS AS IF THE INICES DID NOT EXIST, REGARDLESS OF WHETHER SUCH ACTION MIGHT ADVERSELY AFFECT THE INDICES OR FUNDS. THE INDEX SPONSOR AND ITS AFFILIATES MAY BE IN POSSESSION OF INFORMATION IN RELATION TO COMPONENTS OF THE INDICES THAT MAY OR MAY NOT BE PUBLICLY AVAILABLE OR KNOWN TO ANY OTHER PARTY, AND EACH PARTY PURCHASING OR SELLING FUND AGREES THAT FUNDS DOES NOT CREATE ANY OBLIGATION ON THE PART OF ANY INDEX SPONSOR OR ITS AFFILIATES TO DISCLOSE ANY SUCH INFORMATION.

# SCHEDULE V

## US Persons

1. Pursuant to Regulation S of the 1933 Act, "US Person" means:

   1.1 any natural person resident in the United States;

   1.2 any partnership or corporation organised or incorporated under the laws of the United States;

   1.3 any estate of which any executor or administrator is a US person;

   1.4 any trust of which any trustee is a US person;

   1.5 any agency or branch of a foreign entity located in the United States;

   1.6 any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;

   1.7 any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; or

   1.8 any partnership or corporation if:

      (a) organised or incorporated under the laws of any non-US jurisdiction; and
      (b) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Act) who are not natural persons, estates or trusts.

2. Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States shall not be deemed a "US Person."

3. Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a US Person shall not be deemed a US Person if:

   3.1 an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and

   3.2 the estate is governed by non-US law.

4. Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a US Person shall not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person.

5. Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country shall not be deemed a US Person.

6. Notwithstanding (1) above, any agency or branch of a US Person located outside the United States shall not be deemed a "US Person" if:

   6.1 the agency or branch operates for valid business reasons; and

   6.2 the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.

7. The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans shall not be deemed "US Persons."

The Directors may amend the above listed meanings without Shareholder notice as necessary in order to best reflect then-current application US law and regulation.

## SCHEDULE VI

The following third-party delegates have been appointed by the State Street Bank and Trust Company (the Depositary's global sub-custodian) in the referenced markets as sub-custodians. The list of markets below represents the global custody network of the Depositary's global sub-custodian whereas the assets of the Company will normally be listed or traded on Regulated Markets set out in Schedule I.

| Market | Sub-Custodian |
|---|---|
| **Albania** | Raiffeisen Bank sh.a. |
| **Argentina** | Citibank, N.A. |
| **Australia** | The Hongkong and Shanghai Banking Corporation Limited |
| **Austria** | Deutsche Bank AG (operating through its Frankfurt branch with support from its Vienna branch)<br>UniCredit Bank Austria AG |
| **Bahrain** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Bangladesh** | Standard Chartered Bank |
| **Belgium** | Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch) |
| **Benin** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Bermuda** | HSBC Bank Bermuda Limited |
| **Federation of Bosnia and Herzegovina** | UniCredit Bank d.d. |
| **Botswana** | Standard Chartered Bank Botswana Limited |
| **Brazil** | Citibank, N.A. |
| **Bulgaria** | Citibank Europe plc, Bulgaria Branch<br>UniCredit Bulbank AD |
| **Burkina Faso** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Canada** | State Street Trust Company Canada |
| **Chile** | Itaú CorpBanca S.A. |
| **People's Republic of China** | HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)<br>China Construction Bank Corporation (for A-share market only)<br>Citibank N.A. (for Shanghai – Hong Kong Stock Connect market only)<br>The Hongkong and Shanghai Banking Corporation Limited (for Shanghai – Hong Kong Stock Connect market only)<br>Standard Chartered Bank (Hong Kong) Limited (for Shanghai – Hong Kong Stock Connect market) |
| **Colombia** | Cititrust Colombia S.A. Sociedad Fiduciaria |
| **Costa Rica** | Banco BCT S.A. |
| **Croatia** | Privredna Banka Zagreb d.d.<br>Zagrebacka Banka d.d. |
| **Cyprus** | BNP Paribas Securities Services, S.C.A., Greece (operating through its |

| Market | Sub-Custodian |
|---|---|
| | Athens branch) |
| **Czech Republic** | Československá obchodní banka, a.s.<br>UniCredit Bank Czech Republic and Slovakia, a.s. |
| **Denmark** | Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Danmark, Filial af Nordea Bank AB (publ), Sverige)<br>Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch) |
| **Egypt** | HSBC Bank Egypt S.A.E. (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Estonia** | AS SEB Pank |
| **Eswatini (previously known as Swaziland)** | Standard Bank Swaziland Limited |
| **Finland** | Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), Finnish branch)<br>Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch) |
| **France** | Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch) |
| **Republic of Georgia** | JSC Bank of Georgia |
| **Germany** | State Street Bank International GmbH<br>Deutsche Bank AG |
| **Ghana** | Standard Chartered Bank Ghana Limited |
| **Greece** | BNP Paribas Securities Services, S.C.A. |
| **Guinea-Bissau** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Hong Kong** | Standard Chartered Bank (Hong Kong) Limited |
| **Hungary** | Citibank Europe plc Magyarországi Fióktelepe<br>UniCredit Bank Hungary Zrt. |
| **Iceland** | Landsbankinn hf. |
| **India** | Deutsche Bank AG<br>The Hongkong and Shanghai Banking Corporation Limited |
| **Indonesia** | Deutsche Bank AG |
| **Ireland** | State Street Bank and Trust Company, United Kingdom branch |
| **Israel** | Bank Hapoalim B.M. |
| **Italy** | Deutsche Bank S.p.A. |
| **Ivory Coast** | Standard Chartered Bank Côte d'Ivoire S.A. |
| **Japan** | Mizuho Bank, Limited<br>The Hongkong and Shanghai Banking Corporation Limited |
| **Jordan** | Standard Chartered Bank |
| **Kazakhstan** | JSC Citibank Kazakhstan |
| **Kenya** | Standard Chartered Bank Kenya Limited |

| Market | Sub-Custodian |
|---|---|
| **Republic of Korea** | Deutsche Bank AG<br>The Hongkong and Shanghai Banking Corporation Limited |
| **Kuwait** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Latvia** | AS SEB banka |
| **Lithuania** | AB SEB bankas |
| **Malawi** | Standard Bank PLC |
| **Malaysia** | Deutsche Bank (Malaysia) Berhad<br>Standard Chartered Bank Malaysia Berhad |
| **Mali** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Mauritius** | The Hongkong and Shanghai Banking Corporation Limited |
| **Mexico** | Banco Nacional de México, S.A. |
| **Morocco** | Citibank Maghreb S.A. |
| **Namibia** | Standard Bank Namibia Limited |
| **Netherlands** | Deutsche Bank AG |
| **New Zealand** | The Hongkong and Shanghai Banking Corporation Limited |
| **Niger** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Nigeria** | Stanbic IBTC Bank Plc. |
| **Norway** | Nordea Bank AB (publ), Sweden (operating through its branch, Nordea Bank AB (publ), filial i Norge)<br>Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch) |
| **Oman** | HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Pakistan** | Deutsche Bank AG |
| **Panama** | Citibank, N.A. |
| **Peru** | Citibank del Perú, S.A. |
| **Philippines** | Deutsche Bank AG |
| **Poland** | Bank Handlowy w Warszawie S.A.<br>Bank Polska Kasa Opieki S.A. |
| **Portugal** | Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch) |
| **Puerto Rico** | Citibank N.A. |
| **Qatar** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Romania** | Citibank Europe plc, Dublin – Romania Branch |
| **Russia** | AO Citibank |
| **Saudi Arabia** | HSBC Saudi Arabia (as delegate of The Hongkong and Shanghai Banking Corporation Limited)<br>Saudi British Bank (as delegate of The Hongkong and Shanghai Banking |

| Market | Sub-Custodian |
|---|---|
| | Corporation Limited) |
| **Senegal** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Serbia** | UniCredit Bank Serbia JSC |
| **Singapore** | Citibank N.A. |
| **Slovak Republic** | UniCredit Bank Czech Republic and Slovakia, a.s. |
| **Slovenia** | UniCredit Banka Slovenija d.d. |
| **South Africa** | FirstRand Bank Limited<br>Standard Bank of South Africa Limited |
| **Spain** | Deutsche Bank S.A.E. |
| **Sri Lanka** | The Hongkong and Shanghai Banking Corporation Limited |
| **Republic of Srpska** | UniCredit Bank d.d. |
| **Sweden** | Nordea Bank AB (publ)<br>Skandinaviska Enskilda Banken AB (publ) |
| **Switzerland** | Credit Suisse (Switzerland) Limited<br>UBS Switzerland AG |
| **Taiwan - R.O.C.** | Deutsche Bank AG<br>Standard Chartered Bank (Taiwan) Limited |
| **Tanzania** | Standard Chartered Bank (Tanzania) Limited |
| **Thailand** | Standard Chartered Bank (Thai) Public Company Limited |
| **Togo** | via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast |
| **Tunisia** | Union Internationale de Banques |
| **Turkey** | Citibank, A.Ş.<br>Deutsche Bank A.Ş. |
| **Uganda** | Standard Chartered Bank Uganda Limited |
| **Ukraine** | JSC Citibank |
| **United Arab Emirates Dubai Financial Market** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **United Arab Emirates Dubai International Financial Center** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **United Arab Emirates Abu Dhabi** | HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **United Kingdom** | State Street Bank and Trust Company, United Kingdom branch |
| **United States** | State Street Bank and Trust Company |

| Market | Sub-Custodian |
|---|---|
| **Uruguay** | Banco Itaú Uruguay S.A. |
| **Vietnam** | HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited) |
| **Zambia** | Standard Chartered Bank Zambia Plc. |
| **Zimbabwe** | Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited) |

# INFORMATION FOR INVESTORS IN SWITZERLAND
# DATED 8 DECEMBER 2020

**THIS INFORMATION FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE PROSPECTUS FOR ISHARES PLC (THE "COMPANY") AS MAY BE AMENDED AND SUPPLEMENTED FROM TIME TO TIME.**

## I. INFORMATION FOR INVESTORS IN SWITZERLAND

### 1. Representative

The representative in Switzerland is BlackRock Asset Management Schweiz AG, Bahnhofstrasse 39, 8001 Zurich.

### 2. Paying Agent

The paying agent in Switzerland is State Street Bank International GmbH, Munich, Zurich branch, Beethovenstrasse 19, CH-8027 Zurich.

### 3. Place where the relevant Documents may be obtained

The prospectus, the key investor information documents, articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

### 4. Publications

a) Publications concerning the foreign collective investment scheme are made in Switzerland on the electronic platform www.fundinfo.com.

b) The issue and the redemption prices or the Net Asset Value per Share together with a reference stating „excluding commissions" are published daily on the electronic platform www.fundinfo.com.

### 5. Payment of Retrocessions and Rebates

a) The Company and its agents do not pay any retrocessions to third parties as remuneration for distribution activity in respect of fund shares in Switzerland or from Switzerland.

b) In respect of distribution in Switzerland or from Switzerland, the Company and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the fund.

### 6. Place of Performance and Jurisdiction

In respect of the shares distributed in Switzerland and from Switzerland, the place of performance and jurisdiction is the registered office of the representative.

## II. ADDITIONAL INFORMATION RELATING TO THE LISTING ON SIX SWISS EXCHANGE

The financial situation of the Company is presented in the most recent annual report and accounts and the most recent interim report and accounts. These two reports are incorporated by reference and form an integral part of the prospectus.

The present additional information relates to the listing of Shares of the Company on the SIX Swiss Exchange ("**SIX**"). Information provided by the Company in this additional listing information is limited to information not provided elsewhere in the Prospectus.

### 1. Listing in Switzerland

The Shares of the Funds authorised in Switzerland by the Swiss Financial Market Supervisory Authority (hereafter "**FINMA**") are listed on the SIX. The SIX Board of Admission has approved the Company's listing request.

### 2. Valoren Numbers, ISINs and SIX Trading Currency

| Fund/Share Class | Valoren No. | ISIN | SIX Trading Currency |
|---|---|---|---|
| iShares AEX UCITS ETF EUR (Dist) | 2308837 | IE00B0M62Y33 | EUR |
| iShares Core £ Corp Bond UCITS ETF GBP (Dist) | 1828476 | IE00B00FV011 | GBP |
| iShares £ Corp Bond 0-5yr UCITS ETF GBP (Dist) | 12791570 | IE00B5L65R35 | GBP |
| iShares Global Corp Bond UCITS ETF USD (Dist) | 19067319 | IE00B7J7TB45 | USD |
| iShares Global Corp Bond UCITS ETF USD Hedged (Acc) | 37406122 | IE00BF3N6Z78 | USD |
| iShares Euro Total Market Growth Large UCITS ETF EUR (Dist) | 2308814 | IE00B0M62V02 | CHF |
| iShares EURO STOXX Mid UCITS ETF EUR (Dist) | 1963443 | IE00B02KXL92 | CHF |
| iShares Euro Dividend UCITS ETF EUR (Dist) | 2308797 | IE00B0M62S72 | CHF |
| iShares EURO STOXX Small UCITS ETF EUR (Dist) | 1963445 | IE00B02KXM00 | CHF |
| iShares Euro Total Market Value Large UCITS ETF EUR (Dist) | 2308806 | IE00B0M62T89 | CHF |
| iShares $ Corp Bond UCITS ETF EUR Hedged (Dist) | 37401726 | IE00BF3N6Y61 | EUR |
| iShares $ Corp Bond UCITS ETF USD (Dist) | 1613957 | IE0032895942 | USD |
| iShares $ Corp Bond UCITS ETF USD (Acc) | 36330329 | IE00BYXYYJ35 | CHF |
| iShares € Corp Bond Large Cap UCITS ETF EUR (Dist) | 1582841 | IE0032523478 | CHF |
| iShares € Inflation Linked Govt Bond UCITS ETF EUR (Acc) | 2308827 | IE00B0M62X26 | CHF |
| iShares European Property Yield UCITS ETF EUR (Dist) | 2308855 | IE00B0M63284 | CHF |
| iShares UK Dividend UCITS ETF GBP (Dist) | 2308843 | IE00B0M63060 | CHF |
| iShares China Large Cap UCITS ETF USD (Dist) | 1963428 | IE00B02KXK85 | USD |
| iShares MSCI AC Far East ex-Japan UCITS ETF USD (Dist) | 2308878 | IE00B0M63730 | USD |
| iShares MSCI Brazil UCITS ETF USD (Dist) | 2308866 | IE00B0M63516 | USD |
| iShares MSCI Eastern Europe Capped UCITS ETF USD (Dist) | 2308782 | IE00B0M63953 | USD |
| iShares MSCI EM UCITS ETF USD (Dist) | 2308849 | IE00B0M63177 | USD |
| iShares MSCI Japan UCITS ETF USD (Dist) | 1965564 | IE00B02KXH56 | Yen |
| iShares MSCI Korea UCITS ETF USD (Dist) | 2308859 | IE00B0M63391 | USD |
| iShares MSCI Taiwan UCITS ETF USD (Dist) | 2308884 | IE00B0M63623 | USD |
| iShares MSCI World UCITS ETF USD (Dist) | 2308773 | IE00B0M62Q58 | USD |
| iShares Core S&P 500 UCITS ETF USD (Dist) | 1396252 | IE0031442068 | USD |
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Dist) | 2585461 | IE00B14X4S71 | USD |
| iShares MSCI Europe ex-UK UCITS ETF EUR (Dist) | 2585447 | IE00B14X4N27 | CHF |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Dist) | 2585405 | IE00B14X4Q57 | CHF |
| iShares Asia Pacific Dividend UCITS ETF USD (Dist) | 2585454 | IE00B14X4T88 | USD |
| iShares MSCI North America UCITS ETF USD (Dist) | 2585425 | IE00B14X4M10 | USD |
| iShares € High Yield Corp Bond UCITS ETF EUR (Acc) | 37406065 | IE00BF3N7094 | EUR |
| iShares € High Yield Corp Bond UCITS ETF EUR (Dist) | 11729717 | IE00B66F4759 | CHF |
| iShares € High Yield Corp Bond UCITS ETF USD Hedged (Acc) | 37406111 | IE00BF3NC260 | USD |
| iShares Core FTSE 100 UCITS ETF GBP (Dist) | 1083749 | IE0005042456 | CHF |
| iShares Core FTSE 100 UCITS ETF USD Hedged (Acc) | 38600293 | IE00BYZ28W67 | USD |
| iShares Global High Yield Corp Bond UCITS ETF USD (Dist) | 20026095 | IE00B74DQ490 | CHF |
| iShares Global High Yield Corp Bond UCITS ETF USD (Acc) | 38600305 | IE00BYWZ0440 | USD |
| iShares FTSE 250 UCITS ETF GBP (Dist) | 1828018 | IE00B00FV128 | CHF |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | 22457084 | IE00BCLWRG39 | USD |
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF USD (Dist) | 22407388 | IE00BCLWRB83 | CHF |
| iShares Core MSCI EM IMI UCITS ETF USD (Acc) | 24209517 | IE00BKM4GZ66 | USD |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | 27795866 | IE00BVDPJP67 | GBP |
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) | 36414884 | IE00BYXPSP02 | CHF |
| iShares $ Treasury Bond 0-1yr UCITS ETF USD (Acc) | 45827737 | IE00BGSF1X88 | USD |

| | | | |
|---|---|---|---|
| iShares Global High Yield Corp Bond UCITS ETF CHF Hedged (Acc) | 47997179 | IE00BKBF4J08 | CHF |
| iShares Global Corp Bond UCITS ETF CHF Hedged (Acc) | 47997213 | IE00BK0TB144 | CHF |
| iShares $ Corp Bond UCITS ETF CHF Hedged (Acc) | 48369983 | IE00BK7Y2Q41 | CHF |
| iShares $ Treasury Bond 1-3yr UCITS ETF CHF Hedged (Acc) | 48369993 | IE00BK7XZ629 | CHF |
| iShares € High Yield Corp Bond UCITS ETF CHF Hedged (Acc) | 48961477 | IE00BK6NC514 | CHF |

## 3. Market Makers

The listing on the SIX of the Shares in the Funds authorized in Switzerland allows investors not only to subscribe for or request repurchase of Shares directly with the Company, but also to purchase or sell the Shares of the Funds authorized in Switzerland on a liquid and regulated secondary market, i.e. via the SIX. The procedures relating to the subscription or repurchase of the Company's Shares are set out in the Prospectus.

The complete and up-to-date list of the banking institution/s nominated by the Company in order to assume the functions as Market Maker for the trading of the Shares of the Funds listed on the SIX is available and free accessible on the website of the SIX: www.six-swiss-exchange.com.

The role of the Market Makers is to maintain a market for the Shares of the Funds listed on the SIX for which they have been appointed as Market Makers, and in this context, to introduce purchase and sale prices for the relevant Funds on the SIX trading system.

In accordance with the practice of the FINMA, each Market Maker is required to ensure that the difference between (i) the Intraday Net Asset Value per Share (calculated on the basis of the Net Asset Value per Share and adjusted to reflect price variations resulting from the trading of the underlying securities contained in the index of the relevant Fund (the "**Intraday Net Asset Value**" also referred to as "indicative NAV")) and (ii) the price at which investors may purchase and sell the Shares on the SIX is reduced to a reasonable level.

Under the terms of the Market Making Agreements between the SIX and each Market Maker, the Market Makers are required, subject to specific rules and under normal market conditions, to make a market on the SIX for Shares of Funds authorized in Switzerland and, as part of this obligation, to publish purchase and sale prices for these Shares on the SIX trading system with a spread as follows:

For Funds on underlying stocks, the spread may not exceed 2% (being 1% on either side of the indicative NAV) in cases where at least 50% of the constituent stocks can be traded on the primary market during the official SIX trading hours, and a spread of not more than 5% in cases where more than 50% of the constituent stocks cannot be traded on the primary market during the official SIX trading hours.

For Funds on underlying bonds of the category government bonds, "supranationals" and similar bonds with a maturity of less than 3 years, the spread may not exceed 0.5 % (+/- 0.25 % on either side of the indicative NAV where available).

For Funds on underlying bonds of the category government bonds, "supranationals" and similar bonds with a maturity of more than 3 years, as well as for investment-grade corporate bonds, the spread may not exceed 1.0 % (+/- 0.5 % on either side of the indicative NAV where available).

For Funds on underlying bonds of the category emerging market bonds and non-investment grade corporate bonds, the spread may not exceed 2% (+/-1% on either side of the indicative NAV where available).

This condition only applies in normal market conditions.

## 4. Materialization

In Switzerland, Shares are traded via the SIX. Investors who trade the Shares on the SIX will have their interests in Shares settled via SIX Securities Services. No certificates are issued specifically for interests in Shares that settle via SIX Securities Services.

The Funds use the International Central Securities Depositaries ("**ICSD**") model. SIX Securities Services will be a participant in the ICSD. Please refer to the section titled "Global Clearing and Settlement" for more information. Shares traded in Switzerland are held in a SIX Securities Services account in the ICSD structure. SIX Securities Services will maintain a sub-register for Shares traded on SIX.

## 5. Evolution of the Net Asset Value (NAV) during the last 3 Years (calculated in the Base Currency of the relevant Fund) *(only provided for Funds/Share Classes listed on the SIX before 1 April 2018)

| Fund/Share Class | 2008 | | | | 2009 | | | | 2010 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 10.01 | 15.05 | 22.08 | 10.12 | 09.01 | 15.05 | 21.08 | 10.12 | 11.01 | 14.05 | 23.08 | 10.12 |
| iShares Euro Total Market Growth Large UCITS ETF EUR (Dist) | 26.669006 | 28.361104 | 24.458916 | 18.027676 | 18.294904 | 16.912745 | 18.587178 | 19.11313 | 20.227194 | 19.889351 | 19.922509 | 21.411053 |
| iShares EURO STOXX Mid UCITS ETF EUR (Dist) | 44.756625 | 46.213151 | 39.118168 | 26.194386 | 26.98685 | 27.829153 | 32.332399 | 32.545259 | 34.938835 | 32.756334 | 32.701222 | 36.072032 |
| iShares Euro Dividend UCITS ETF EUR (Dist) | 32.923478 | 30.99782 | 23.861432 | 15.124305 | 14.817307 | 14.484092 | 17.388798 | 17.944871 | 19.365098 | 17.899538 | 17.90897 | 18.856087 |
| iShares EURO STOXX Small UCITS ETF EUR (Dist) | 26.791834 | 28.493756 | 23.573211 | 15.523799 | 16.20806 | 17.093135 | 19.936585 | 21.551314 | 23.280169 | 22.542197 | 21.882703 | 24.74474 |
| iShares Euro Total Market Value Large UCITS ETF EUR (Dist) | 33.670604 | 31.594421 | 26.579173 | 18.071811 | 17.849749 | 18.018291 | 21.054206 | 21.629281 | 22.991417 | 19.645167 | 19.747254 | 19.834996 |
| iShares $ Corp Bond UCITS ETF USD (Dist) | 103.604891 | 102.634205 | 98.724497 | 86.411803 | 95.198344 | 89.246905 | 96.856566 | 99.214501 | 99.820186 | 101.441806 | 107.520267 | 102.932263 |
| iShares € Corp Bond Large Cap UCITS ETF EUR (Dist) | 115.978913 | 115.049492 | 113.419812 | 109.272076 | 112.916303 | 116.217233 | 119.407495 | 120.294531 | 120.804304 | 122.751627 | 124.3803 | 119.673708 |
| iShares € Inflation Linked Govt Bond UCITS ETF EUR (Acc) | 161.182363 | 163.603621 | 163.230866 | 161.935628 | 167.460213 | 169.860728 | 175.045589 | 177.57764 | 177.951328 | 182.972249 | 184.403933 | 178.723561 |
| iShares European Property Yield UCITS ETF EUR (Dist) | 25.601118 | 29.192628 | 24.485425 | 16.448804 | 18.506663 | 17.710666 | 20.644689 | 21.896707 | 22.886355 | 21.567876 | 23.492945 | 25.984509 |
| iShares UK Dividend UCITS ETF GBP (Dist) | 10.151206 | 9.809575 | 8.092086 | 5.574711 | 5.237036 | 5.830935 | 6.699829 | 6.847596 | 7.157994 | 6.959931 | 7.031075 | 7.513883 |
| iShares China Large Cap UCITS ETF USD (Dist) | 163.548649 | 147.331175 | 115.314993 | 87.474821 | 79.791642 | 96.555155 | 114.605349 | 122.138128 | 125.669392 | 112.632329 | 115.379192 | 122.604219 |
| iShares MSCI AC Far East ex-Japan UCITS ETF USD (Dist) | n/a | 25.964121 | 19.691934 | 11.342719 | 12.163935 | 17.838907 | 20.339223 | 23.405192 | 25.255547 | 24.810386 | 25.728279 | 29.110846 |

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| iShares MSCI Brazil UCITS ETF USD (Dist) | 61.841121 | 74.219061 | 56.973958 | 26.598242 | 29.969889 | 38.304373 | 47.98752 | 58.658885 | 61.1524 | 52.815617 | 54.36003 | 57.868922 |
| iShares MSCI Eastern Europe Capped UCITS ETF USD (Dist) | 47.826732 | 48.780485 | 37.054937 | 16.997732 | 16.582695 | 20.062626 | 24.141376 | 27.951975 | 31.41431 | 27.760003 | 28.352906 | 33.195555 |
| iShares MSCI EM UCITS ETF USD (Dist) | 46.526207 | 47.415171 | 37.408136 | 22.172606 | 22.621041 | 27.901701 | 33.231724 | 37.782706 | 40.084746 | 37.551311 | 38.60761 | 43.7206 |
| iShares MSCI Japan UCITS ETF USD (Dist) | 12.90254 | 13.402988 | 11.050046 | 8.872179 | 9.312017 | 9.172437 | 9.808712 | 9.821196 | 10.161886 | 10.095745 | 9.548593 | 10.502797 |
| iShares MSCI Korea UCITS ETF USD (Dist) | 37.930796 | 36.480417 | 28.036304 | 16.46697 | 17.533591 | 21.761865 | 25.79989 | 29.371857 | 30.960607 | 30.975825 | 30.672594 | 36.048473 |
| iShares MSCI Taiwan UCITS ETF USD (Dist) | 34.312797 | 40.637161 | 31.277975 | 19.001043 | 18.37259 | 25.636711 | 26.711633 | 30.526469 | 33.696301 | 30.995364 | 31.939569 | 36.788866 |
| iShares MSCI World UCITS ETF USD (Dist) | 32.57248 | 33.093721 | 28.757492 | 19.407113 | 19.891025 | 19.920005 | 23.353771 | 24.818906 | 25.897772 | 24.145105 | 23.348374 | 26.689411 |
| iShares Core S&P 500 UCITS ETF USD (Dist) | 14.180168 | 14.234452 | 12.929558 | 8.966588 | 8.894866 | 8.828737 | 10.259667 | 10.988921 | 11.443869 | 11.343079 | 10.666245 | 12.365721 |
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Dist) | 132.019464 | 130.441909 | 131.740265 | 133.658894 | 135.649196 | 136.19767 | 137.020003 | 136.675137 | 137.057267 | 137.547826 | 137.544337 | 136.116378 |
| iShares MSCI Europe ex-UK UCITS ETF EUR (Dist) | 28.263735 | 27.118853 | 23.285807 | 16.755941 | 16.984792 | 16.816673 | 19.291096 | 19.914227 | 21.088098 | 20.051053 | 20.18058 | 21.812595 |
| iShares € Govt Bond 1-3yr UCITS ETF EUR (Dist) | 132.019464 | 130.441909 | 131.740265 | 133.658894 | 135.649196 | 136.19767 | 137.020003 | 136.675137 | 137.057267 | 137.547826 | 137.544337 | 136.116378 |
| iShares Asia Pacific Dividend UCITS ETF USD (Dist) | 36.413677 | 35.364987 | 27.821973 | 15.147909 | 16.427119 | 17.821126 | 24.319554 | 26.41155 | 27.248166 | 26.199126 | 25.630157 | 28.528708 |
| iShares MSCI North America UCITS ETF USD (Dist) | 28.001542 | 28.506074 | 25.818609 | 17.550933 | 17.612014 | 17.609798 | 20.534534 | 22.000785 | 22.958831 | 22.732684 | 21.38523 | 24.807063 |
| iShares € High Yield Corp Bond UCITS ETF EUR (Dist) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 101.556315 |
| iShares Core FTSE 100 UCITS ETF GBP (Dist) | 6.202589 | 6.311214 | 5.369748 | 4.357892 | 4.441552 | 4.379054 | 4.890807 | 5.244349 | 5.537653 | 5.311291 | 5.52716 | 5.79901 |

| Fund/Share Class | 2010 | | | | 2011 | | | | 2012 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 09.01 | 15.05 | 21.08 | 10.12 | 11.01 | 14.05 | 23.08 | 10.12 | 09.01 | 07.05 | 06.08 | 10.12 |
| iShares Global High Yield Corp Bond UCITS ETF USD (Dist) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 102.0386 |

| Fund/Share Class | 2010 | | 2011 | | | | 2012 | | | | 2013 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 10.12 | 11.01 | 14.05 | 23.08 | 10.12 | 09.01 | 07.05 | 06.08 | 10.12 | 31.03 | 30.06 | 30.10 |
| iShares FTSE 250 UCITS ETF GBP (Dist) | 1135.79 | 1138.23 | 1173.11 | 966.37 | 990.85 | 1130.13 | 1071.53 | 1150.61 | 1209.72 | 1360.71 | 1349.35 | 1525.1995 |
| iShares MSCI Japan USD Hedged UCITS ETF (Acc) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 24.6519 |
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF USD (Dist) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 100.3480 |

| Fund/Share Class | 2012 | | | | 2013 | | | | 2014 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31.03 | 30.06 | 30.09 | 31.12 | 31.03 | 30.06 | 30.09 | 31.12 | 31.03 | 30.06 | 30.09 | 31.12 |
| iShares Global Corp Bond UCITS ETF USD (Dist) | n/a | n/a | 99.413143 | 101.287499 | 98.991133 | 96.442109 | 97.839081 | 99.116732 | 100.227 | 102.8174 | 99.2049 | 99.2532 |
| iShares Core £ Corp Bond UCITS ETF GBP (Dist) | 120.66349 | 122.056358 | 128.591533 | 129.388339 | 129.713752 | 123.8303 | 125.9008 | 124.6277 | 126.2905 | 128.1939 | 131.1718 | 136.1496 |
| iShares £ Corp Bond 0-5yr UCITS ETF GBP (Dist) | 100.101748 | 100.249615 | 102.343243 | 104.694653 | 104.798096 | 104.2154 | 104.1109 | 104.9257 | 104.5779 | 105.4115 | 104.7361 | 106.5003 |
| iShares AEX UCITS ETF EUR (Dist) | 32.379499 | 30.929284 | 32.438162 | 34.342465 | 34.872902 | 34.5443 | 37.5748 | 40.2267 | 40.3695 | 41.731 | 42.2987 | 42.5317 |

| Fund/Share Class | 2012 | | | 2013 | | | | 2014 | | | | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 30.06 | 30.09 | 31.12 | 31.03 | 30.06. | 30.09. | 31.12 | 31.03 | 30.06 | 30.09 | 30.12 | 31.03 |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a | 4.91 |

| Fund/Share Class | 2014 | | | | 2015 | | | | 2016 | | | | 2017 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31.03 | 30.06 | 30.09 | 31.12 | 31.03 | 30.06 | 30.09 | 31.12 | 31.03 | 30.06 | 30.09 | 31.12 | 31.03 | 30.06 |
| iShares $ Corp Bond UCITS ETF USD (Acc) | - | - | - | - | - | - | - | - | - | - | - | - | | |
| iShares $ Treasury Bond 1-3yr UCITS ETF USD (Acc) | - | - | - | - | - | - | - | - | - | - | - | - | | |

| | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| iShares Global Corp Bond UCITS ETF USD Hedged (Acc) | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

| **Fund/Share Class** | **2014** | **2015** | | | | **2016** | | | | **2017** | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **31.12** | **31.03** | **30.06** | **30.09** | **31.12** | **31.03** | **30.06** | **30.09** | **31.12** | **31.03** | **30.06** | **30.09** |
| iShares $ Corp Bond UCITS ETF EUR Hedged (Dist) | - | - | - | - | - | - | - | - | - | - | - | €5.02 |
| iShares € High Yield Corp Bond UCITS ETF EUR (Acc) | - | - | - | - | - | - | - | - | - | - | - | €5.01 |

| **Fund/Share class** | 2014 | 2015 | | | | 2016 | | | | 2017 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 31/12/14 | 31/03/15 | 30/06/15 | 30/09/15 | 31/12/15 | 31/03/16 | 30/06/16 | 30/09/16 | 31/12/16 | 31/03/17 | 30/06/17 | 30/09/17 | 31/12/17 |
| iShares Global High Yield Corp Bond UCITS ETF - USD (Acc) | - | - | - | - | - | - | - | - | - | - | - | | 5.0168 |
| iShares Core FTSE 100 UCITS ETF - USD Hedged (Acc) | - | - | - | - | - | - | - | - | - | - | - | | 5.1358 |
| iShares € High Yield Corp Bond UCITS ETF - USD Hedged (Acc) | - | - | - | - | - | - | - | - | - | - | - | | 5.034 |

* with regard to the start of the respective listing on the SIX

## 6. Responsibility for the Listing Prospectus

The Company, iShares plc with registered offices in Dublin, Ireland, and its Directors accept responsibility for the information contained in this Prospectus. To the best of their knowledge and belief, the information contained in this Prospectus is correct and no material fact or circumstances have been omitted.

## III. ADDITIONAL INFORMATION RELATING TO THE LISTING ON BX Swiss

The present additional information relates to the listing of Shares of the Company on the BX Swiss ("**BX**"). Information provided by the Company in this additional listing information is limited to information not provided elsewhere in the Prospectus.

The financial situation of the Company is presented in the most recent annual report and accounts and the most recent interim report and accounts. These two reports are incorporated by reference and form an integral part of the prospectus.

### 1. Valoren Numbers, ISINs, Ticker and Place of First Listing

| Fund/ Share Class | Valoren n° | ISIN | Ticker | First place of listing | BX Trading Currency |
|---|---|---|---|---|---|
| iShares $ Corp Bond UCITS ETF - GBP Hedged (Dist) | 40676122 | IE00BDFK3736 | LQGH | LSE | CHF |
| iShares $ Treasury Bond 1-3yr UCITS ETF - EUR Hedged (Acc) | 40678886 | IE00BDFK1573 | IBTE | LSE | CHF |
| iShares $ Treasury Bond 1-3yr UCITS ETF - GBP Hedged (Dist) | 40677340 | IE00BDFK1N50 | IBTG | LSE | CHF |
| iShares $ Treasury Bond 1-3yr UCITS ETF – MXN Hedged (Acc) | 43148458 | IE00BDDRHB81 | IBTMXx | CBOE | CHF |
| iShares Core MSCI EM IMI UCITS ETF - USD (Dist) | 40316642 | IE00BD45KH83 | EIMU | LSE | CHF |
| iShares Global Corp Bond UCITS ETF - GBP Hedged (Dist) | 40675976 | IE00BDFK3G24 | CRHG | LSE | CHF |
| iShares Global Corp Bond UCITS ETF - USD (Acc) | 41533844 | IE00BFM6TB42 | CRPA | LSE | CHF |
| iShares $ Corp Bond Interest Rate Hedged UCITS ETF - USD (Acc) | 42128300 | IE00BZ173W74 | HLQD | LSE | CHF |
| iShares European Property Yield UCITS ETF - EUR (Acc) | 44630984 | IE00BGDQ0L74 | IPRE BW | Xetra | CHF |
| iShares $ Treasury Bond 0-1yr UCITS ETF - USD (Dist) | 45827895 | IE00BGR7L912 | IBTU | LSE | USD |
| iShares Global Corp Bond UCITS ETF - EUR Hedged (Dist) | 47416702 | IE00BJSFQW37 | 36B7 | Xetra | EUR |
| iShares Global High Yield Corp Bond UCITS ETF - GBP Hedged (Dist) | 47416718 | IE00BJSFQX44 | GHYG | LSE | USD |
| iShares Global High Yield Corp Bond UCITS ETF | 47416828 | IE00BJSFR200 | HYLE | Xetra | EUR |

| | | | | | |
|---|---|---|---|---|---|
| - EUR Hedged (Dist) | | | | | |
| iShares $ Treasury Bond 0-1yr UCITS ETF - MXN Hedged (Acc) | 47417779 | IE00BJ5JMP33 | TBX1 | CBOE Europe | USD |
| iShares $ Treasury Bond UCITS ETF USD (Dist) | 48854749 | IE00BK95B138 | GOVT | Euronext Amsterdam | USD |
| iShares MSCI Europe ex-UK GBP Hedged UCITS ETF (Dist) | 27795866 | IE00BVDPJP67 | EUXS | LSE | CHF |
| iShares $ Corp Bond UCITS ETF EUR Hedged (Dist) | 37401726 | IE00BF3N6Y61 | LQEE | LSE | EUR |

**2. Type of Securitisation, Central Securities Depository (CSD) and Clearing House**

Investors who trade the Shares on the BX will have their interests in Shares settled via SIX Securities Services through SIX SIS Ltd as a Central Securities Depositary. No certificates are issued specifically for interests in Shares that settle via SIX Securities Services through SIX SIS Ltd. The clearing in Switzerland is carried out by SIX SIS Ltd.

**3. Market Maker**

The listing on the BX of the Shares in the Funds authorized in Switzerland allows any investors to purchase or sell the Shares of the Funds authorized in Switzerland on a regulated secondary market, i.e. via the BX. The procedures relating to the subscription or repurchase of the Company's Shares are set out in the Prospectus.

The complete and up-to-date list of the banking institution/s or securities dealer(s) nominated by BX in order to assume the functions as a market maker according to the requirements as set out by FINMA, for the trading of the Shares of the Funds listed on the BX is available and free accessible on the website of the BX: https://www.bxswiss.com/.

The role of the market maker is to maintain a market for the Shares of the Funds listed on the BX for which it has been appointed as a market maker, and in this context, to introduce purchase and sale prices for the relevant Funds on the BX trading system.

In accordance with the practice of the FINMA, each market maker is required to ensure that the difference between (i) the Indicative Net Asset Value per Share (calculated on the basis of the Net Asset Value per Share and adjusted to reflect price variations resulting from the trading of the underlying securities contained in the index of the relevant Fund (also referred to as "intraday NAV")) and (ii) the price at which investors may purchase and sell the Shares on the BX is reduced to a reasonable level.

Under the terms of the market making agreement between the BX and the market maker, the market maker is required, subject to specific rules and under normal market conditions, to make a market on the BX for Shares of Funds authorized in Switzerland and, as part of this obligation, to publish purchase and sale prices for these Shares on the BX trading system with a spread as set out below.

The market maker must comply with the maximum spreads and minimum volumes indicated below in at least 90% of the official BX trading hours. BX may, in justified cases, grant exceptions, especially for technical reasons.

***ETFs on equity indices:*** Funds holding more than 50% of its NAV in equity securities, are considered to fall into "ETFs on equity indices" category in accordance with the BX annex on exchange traded funds spreads. The minimum volume is CHF 50'000. If at least 50% of the underlyings are tradable on their primary market during BX trading hours, maximum spread is 1.0% to the iNAV. If at least 50% of the underlyings are not tradable on their primary market during BX trading hours, maximum spread is 5.0%. During one trading day both rules may apply.

***ETFs on fixed-income indices***: Funds holding more than 50% of its NAV in fixed-income instruments, are considered ETFs on fixed-income indices" category in accordance with the BX annex on exchange traded funds spreads. The minimum volume is CHF 100'000. Market makers must comply to following maximum spreads to the iNAV, if available: a) 0.1% (+/- 0.05%) for money market products; b) 0.5% (+/- 0.25%) for money market products not traded in the fund currency; c) 0.5% (+/- 0.25%) for government bonds, «supranationals» and similar bonds with a maturity of less than 3 years; d) 1.0% (+/- 0.5%) for government bonds, «supranationals» and similar bonds with a maturity of more than 3 years and investment-grade corporate bonds; e) 2.0% (+/- 1.0%) for emerging markets bonds and non-investment-grade corporate bonds.

***ETFs on commodity indices***: Funds holding more than 50% of its NAV in commodities, are considered ETFs on commodity indices" category in accordance with the BX annex on exchange traded funds spreads. The minimum volume is CHF 50'000. If at least 50% of the underlyings are tradable on their primary market during BX trading hours, maximum spread is 1.0% to the iNAV. If at least 50% of the underlyings are not tradable on their primary market during BX trading hours, maximum spread is 3.0%. During one trading day both rules may apply.

***ETFs on collective investment schemes indices:*** The minimum volume is CHF 50'000. If at least 50% of the underlyings are exchange-traded real estate funds or hedge fund indices, maximum spread shall be 2% (+/- 1% to the iNAV, if available).

For Funds that do not fall into the abovementioned categories, the provision for "ETF on equity indices" shall apply to such Funds.

BX may change its annex on exchange traded funds from time to time and, therefore, the maximum spreads and minimum volumes that apply may also be different from what is set out above. Any changes are subject to prior approval by FINMA.

**4. Evolution of the Net Asset Value (NAV) during the last 3 years**

With regard to the evolution of the Net Asset Value (NAV) of each Fund during the last 3 years, reference is made to the following website of the Company www. iShares.com, where the corresponding NAV development since the launch of the Fund(s) is accessible including the relevant KIID (Key Investor Information Document).

**5. Responsibility for the Listing Prospectus**

The Company, iShares plc with registered offices in Dublin and its Directors accept responsibility for the information contained in this Prospectus. To the best of their knowledge and belief, the information contained in this Prospectus is correct and no material fact or circumstances have been omitted.

**THIS COUNTRY SUPPLEMENT FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE PROSPECTUS. ALL CAPITALISED TERMS CONTAINED IN THIS COUNTRY SUPPLEMENT SHALL HAVE THE SAME MEANING AS IN THE PROSPECTUS UNLESS OTHERWISE STATED.**

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