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If you are in any doubt about the content you should consult your relationship manager or other professional adviser.

BlackRock Strategic Funds

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17 May 2022

Dear Shareholder

The board of directors (the "Directors") of BlackRock Strategic Funds (the "Company") is writing to advise you of changes that will be made to certain Funds of the Company.

Unless otherwise indicated, the changes set out in this letter will take effect from 20 June 2022 (the "Effective Date") and this letter forms notice to Shareholders of the facts set out below.

Terms not defined herein shall have the same meaning as set out in the Prospectus currently in force (available at www.blackrockinternational.com).

1. **Changes to the statement of investment objective and policy of BlackRock Fixed Income Strategies Fund ("FISF")**

From the Effective Date, the investment strategy of FISF will change to adopt Environmental, Social and Governance (ESG) principles. FISF will continue to seek to provide an income return (without sacrificing long term capital growth) but going forward will do so in a manner that is consistent with the principles of ESG focused investing.

As part of the change of strategy, FISF will apply the BlackRock EMEA Baseline Screens. The Investment Adviser also intends to invest in "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and limit direct investment in securities of issuers involved in the ownership or operation of gambling related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

The changes are not expected to materially impact income generation opportunities for FISF. It is intended that the changes to FISF will be beneficial to shareholders (and attractive to new investors) by providing a more ESG focused investment strategy with no material change to the risk and return profile of FISF. FISF will however be subject to ESG Investment Policy Risk, which again is not expected to affect the overall risk profile of FISF.

The exact changes to the FISF's investment objective and policy are shown in the Appendix 1 to this letter.

From the Effective Date, FISF will be categorised as an Article 8 product pursuant to the EU Sustainable Finance Disclosures Regulation.

With the exception of the trading costs mentioned above, the amendments described in this letter will not result in any change in the fees and expenses borne by the Fund and/or its shareholders and the associated fees and expenses will be paid by the Management Company out of the Annual Service Charge charged to FISF. The changes will not materially prejudice the rights or interests of the shareholders of FISF. Apart from the changes described above, the operation and/or manner in which FISF is being managed will remain unchanged.



Change to the name of the Fund

From the Effective Date FISF will be renamed the "BlackRock Sustainable Fixed Income Strategies Fund".

2. Changes to the statement Investment Objectives and Policies of BlackRock ESG Euro Bond Fund, BlackRock ESG Euro Corporate Bond Fund and BlackRock ESG Euro Short Duration Bond Fund (together the "ESG FI Funds")

The Autorité des Marchés Financiers ("AMF") in France issued a detailed policy statement setting out a range of new disclosure requirements and recommendations for funds, including foreign UCITS (such as the Funds), which promote themselves in France as pursuing sustainable, environmental or social/governance policies. The AMF has confirmed that all foreign UCITS which are marketed for sale in France fall into scope of the new disclosure requirements.

After careful consideration, the Directors are writing to notify you that they have decided to make changes to the statement of investment objectives and policies of the ESG FI Funds in order to comply with the AMF requirements, thereby ensuring the ESG FI Funds continue to be eligible for sale in France. The changes are set out in the Appendix 2 to this Letter.

The changes being made will not result in any material change to the current investment strategy of the ESG FI Funds, the operation and/or manner in which the ESG FI Funds are being managed. However, from the Effective Date the Investment Adviser will apply further ESG constraints to the ESG FI Funds including: (i) ensuring that at least 90% of the underlying issuers held by each ESG Fund are assessed on an ESG basis; (ii) applying a selectivity approach to any government bond held by each of the ESG FI Funds; and (iii) applying a ratings upgrade approach to any corporate bonds to seek to achieve an improved ESG rating versus the investable universe of each of the ESG FI Funds.

In line with the AMF ESG requirements, the ESG FI Funds will also reduce their allocation to sovereign securities compared to their global investable universe. The FTSE World Government Bond Index and the JP Morgan EMBI Global Diversified Index have been determined by BlackRock as representative of the global investment universe for the ESG FI Funds.

The ability to continue to sell the ESG FI Funds in France is, however, expected to result in the growth of the ESG FI Funds which in turn can result in reduced costs for investors through the economies of scale that can result. The changes are therefore regarded by the Directors to be in the best interests of all shareholders in the ESG FI Funds.

The changes described in this letter will not result in any change in the fees and expenses borne by the ESG FI Funds and/or their shareholders. The fees and expenses associated with these changes will be paid by the Management Company out of the Annual Service Charge charged to the ESG FI Funds. The changes will not materially prejudice the rights or interests of the shareholders of the ESG FI Funds.

It is not expected that the above changes will materially affect the overall risk profile of the ESG FI Funds.

3. Increase of the maximum proportion of the NAV subject to securities financing transactions

The maximum proportion of the Net Asset Value of the Emerging Companies Absolute Return Fund that can be subject to TRS and CFDs in aggregate initially envisioned at 150% is increased to 200%. Such figure is a limit above which the maximum proportion cannot fluctuate.

4. Changes to the Share S Class

From the Effective Date, the Class S Shares currently available as Non-Distributing Shares will be available as Distributing Shares and Non-Distributing Shares.

5. Changes to Expected levels of leverage

From the Effective Date, the expected levels of leverage for the below funds will be amended as follows:

No.	Fund	Existing level of Expected Leverage	New Level of Expected Leverage
1.	BlackRock Emerging Markets Flexi Dynamic Bond Fund	550%	750%
12.	BlackRock European Absolute Return Fund	50%	70%
19.	BlackRock Systematic Global Long/Short Equity Fund	380%	500%

There will be no change to the risk and/or return profile of the above funds as a result of the changes in expected levels of leverage.

6. Updates to Securities Financing Transaction Regulation ("SFTR") Disclosures

From the Effective Date, the SFTR disclosures for the below Fund will be amended as follows:

TRS and CFDs

No.	Fund	Existing expected proportion of NAV	New expected proportion of NAV	Existing Maximum proportion of NAV	New Maximum proportion of NAV
6.	BlackRock ESG Euro Bond Fund	0%	2%	0%	10%
7.	BlackRock ESG Euro Corporate Bond Fund	0%	2%	0%	10%

Securities Lending

Securities Financing Transactions (SFTs) such as securities lending, repurchase transactions, total return swaps (TRS) and contracts for difference (CFDs) may be used by all the Funds (subject to their investment objective and policy) either to help meet the investment objective of a Fund and/or as part of efficient portfolio management.

The SFT related disclosures in Appendix G of the prospectus have been modified to provide better transparency for Shareholders regarding the use of SFTs.

Action to be taken by you

Shareholders are not required to take any action in relation to the changes described in this letter. If, however, you do not agree with the changes described in this letter you may redeem your Shares free of any redemption charges at any time prior to the Effective Date, in accordance with the provisions of the Prospectus. If you have any questions regarding the redemption process please contact your local representative or the Investor Services Team (see details below).

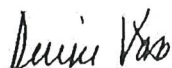
Redemption proceeds will be paid to Shareholders within three Business Days of the relevant Dealing Day, provided that the relevant documents (as described in the Prospectus) have been received. Any redemption of your shares may affect your tax position and you should consult your own professional advisers as to the implications of disposing of shares under the laws of the jurisdictions in which you may be subject to tax.

General Information

Updated versions of the Prospectus will be available to download from our website (www.blackrockinternational.com) and in hard copy format free of charge from the Effective Date. Copies of the Company's articles of incorporation, annual and semi-annual reports are also available from our website and free of charge upon request from your local representative or the Investor Services Team at: Investor.services@blackrock.com, telephone: 00 44 (0)207 743 3300.

The Directors accept responsibility for the contents of this letter. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that this is the case) the information contained in this letter is in accordance with the facts and does not omit anything likely to affect the impact of such information.

Yours faithfully



Denise Voss
Chairwoman



Appendix 1

Changes to the statement of investment objective and policy of BlackRock Fixed Income Strategies Fund ("FISF")

Fund	New Disclosures
BlackRock Sustainable Fixed Income Strategies Fund	Investment Objective The BlackRock Sustainable Fixed Income Strategies Fund seeks to achieve positive total returns over a rolling three year cycle in a manner consistent with the principles of environmental, social and governance "ESG" focused investing. The Fund will seek to achieve this investment objective by taking long, synthetic long and synthetic short investment exposures. The Fund will seek to gain at least 70% of its investment exposure through fixed income transferable securities and fixed income related securities (including derivatives) issued by, or giving exposure to, governments, agencies and / or companies worldwide. The Fund will seek to achieve this investment objective by investing at least 70% of its total assets in fixed income transferable securities and fixed income related securities, currency forwards and, when determined appropriate, cash and near-cash instruments. The asset allocation of the Fund is intended to be flexible and the Fund will maintain the ability to switch exposure as market conditions and other factors dictate. The currency exposure of the Fund is flexibly managed. <u>The Fund's total assets will be invested in accordance with the ESG Policy described below.</u> In order to achieve the investment objective and policy the Fund will invest in a variety of investment strategies and instruments. It intends to take full advantage of the ability to invest in derivatives providing synthetic long and/or synthetic short positions with the aim of maximising positive returns. No more than 40% of the Fund's total assets may be invested in non-investment-grade fixed income securities including corporate bonds, ABS and MBS. No more than 20% of the Fund's Net Asset Value may be invested in ABS and MBS whether investment grade or not. These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. The Fund's exposure to contingent convertible bonds is limited to 20% of its Net Asset Value. The Fund's exposure to Distressed Securities may not exceed 10% of its Net Asset Value. This Fund may have significant exposure to non-investment grade debt, and investors are encouraged to read the relevant risk disclosures contained in the Section "Specific Risk Considerations". Base Currency Euro (EUR) Type of Fund Bond, Total Return ESG Policy <u>In addition to the above, the Fund will apply the BlackRock EMEA Baseline Screens Policy (as described in Appendix F).</u> <u>The Investment Adviser also intends to invest in Sustainable Investments, including but not limited to "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond Principles) and limit direct investment in securities of issuers involved in the ownership or operation of gambling related activities or facilities; production, supply and mining activities related to nuclear power and production of adult entertainment materials. The assessment of the level of involvement in each activity may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received. The Investment Adviser will exclude any issuer with a MSCI ESG rating below B. The remaining issuers (i.e. those companies which have not yet been excluded from investment by the Fund) are then rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.</u> <u>The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs relative to the holding's sector as defined by the Investment Adviser. The Investment Adviser will seek to limit exposure to investments that are deemed to have associated negative externalities while enhancing exposure to investments that are deemed to have associated positive externalities, compared to the Fund's investable universe.</u> <u>To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.</u>

Fund	New Disclosures
	The Fund may gain limited indirect exposure (through, including but not limited to, derivatives and shares or units of CIS) and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide) to issuers with exposures that do not meet the ESG criteria described above. Benchmark Use The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments and is not constrained by any benchmark in this process. ESTR Overnight should be used by shareholders to compare the performance of the Fund. Valuation and Dealing Dealings in shares of the BlackRock Sustainable Fixed Income Strategies Fund can normally be effected daily. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the local Investor Servicing team before 12 noon Luxembourg time on any Dealing Day (the "Cut-Off Point") and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the local Investor Servicing team after the Cut-Off Point will be dealt with on the next Dealing Day. Please see Section "Dealing in Fund Shares".

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Appendix 2

Changes to the statement Investment Objectives and Policies of BlackRock ESG Euro Bond Fund, BlackRock ESG Euro Corporate Bond Fund and BlackRock ESG Euro Short Duration Bond Fund (together the “ESG FI Funds”)

Fund	New Disclosures
BlackRock ESG Euro Bond Fund	Investment Objective The BlackRock ESG Euro Bond Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance “ESG” focused investing. The Fund will seek to invest at least 80% of its total assets in investment grade fixed income transferable securities and fixed income related securities (including derivatives). When determined appropriate, the Fund will also invest in cash and near-cash instruments. The fixed income securities will be issued by, or give exposure to, companies, governments and agencies domiciled worldwide. 90% of the Fund’s total assets will be invested in accordance with the ESG Policy described below at the time of purchase. Currency exposure is flexibly managed. In order to achieve its investment objective, the Fund may invest up to 20% of its Net Asset Value in ABS and MBS (whether investment grade or not). These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. Investors are encouraged to read the relevant risk disclosures contained in the section “Specific Risk Considerations”. The Fund’s exposure to ABS and MBS may not exceed 20% of its Net Asset Value. The Fund’s exposure to Distressed Securities is limited to 10% of its Net Asset Value and its exposure to contingent convertible bonds is limited to 10% of its Net Asset Value. In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. The Fund intends to take full advantage of the ability to invest in derivatives (including total return swaps that have fixed income transferable securities and fixed income related securities as underlying assets) with the aim of maximising returns. <u>Any ESG criteria referenced below will apply only to the underlying securities of derivatives used by the Fund.</u> ESG Policy The ESG criteria will be applied to issues at the time of purchase, and consists of: (i) a rating of BB or higher as defined by MSCI’s ESG Intangible Value Assessment Ratings or MSCI ESG Sovereign Ratings Government Ratings as applicable; (ii) for corporate issues a score of one or above as defined by MSCI’s ESG Controversies score, or their equivalents as determined by the Investment Adviser from time to time (further details regarding MSCI’s rating criteria is available on MSCI’s website at www.msci.com); and (iii) the exclusion of issuers of securities that have a certain level of exposure to, or ties with, sectors including (but not limited to) controversial weapons (i.e. nuclear, cluster munitions, biological-chemical, landmine, depleted uranium, or incendiary weapons), civilian firearms, tar sands, thermal coal extraction and generation, gambling, adult entertainment and tobacco. The Investment Adviser also intends to exclude issuers of securities that are deemed to have breached one or more of the ten UN Global Compact Principles, which cover human rights, labour standards, the environment and anti-corruption. The United Nations Global Compact is a United Nations initiative to implement universal sustainability principles. <u>The Investment Adviser may use other data providers and criteria to assess the ESG credentials and suitability of securitised assets such as ABS and MBS.</u> <u>The Fund adopts a “best in class” approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities).</u> <u>More than 90% of the issuers of securities in which the Fund invests shall be ESG rated or have been analysed for ESG purposes. In applying its ESG Policy, the Fund reduces its allocation to sovereign securities compared to the FTSE World Government Bond Index and the JP Morgan EMBI Global Diversified Index by at least 20%. The Fund shall not invest in the bottom quintile of sovereign issuers according to an ESG assessment of the worldwide sovereign universe.</u> To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Fund may gain limited indirect exposure (through, including but not limited to, derivatives, <u>cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)</u>) to issuers with exposures that do not meet the ESG criteria described above. Base Currency Euro (EUR)

Fund	New Disclosures
	Type of Fund Bonds, Total Return Benchmark Use The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg MSCI Euro Aggregate Sustainable SRI Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the geographic scope of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Bloomberg MSCI Euro Aggregate Sustainable SRI Index should be used by shareholders to compare the performance of the Fund. Investors may use the Bloomberg Euro-Aggregate 500mm Bond Index <u>Bond Index (80%) and Bloomberg Global Aggregate Index (20%)</u> (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. <u>The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index after eliminating at least 20% of the least well-rated securities from the index.</u> Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/ Valuation and Dealing Dealings in shares of BlackRock ESG Euro Bond Fund can normally be effected daily. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the local Investor Servicing team before 12 noon Luxembourg time on any Dealing Day (the "Cut-Off Point") and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the local Investor Servicing team after the Cut-Off Point will be dealt with on the next Dealing Day. Please see Section "Dealing in Fund Shares".
BlackRock ESG Euro Corporate Bond Fund	Investment Objective The BlackRock ESG Euro Corporate Bond Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance "ESG" focused investing. The Fund will seek to invest at least 80% of its total assets in investment grade, Euro denominated fixed income transferable securities and fixed income related securities (including derivatives). When determined appropriate, the Fund will also invest in cash and near-cash instruments. The fixed income securities will be issued by, or give exposure to, companies, governments and agencies domiciled worldwide. At least 50% of the Fund's direct and indirect fixed income exposure will be to non-government fixed income securities. 90% of the Fund's total assets will be invested in accordance with the ESG Policy described below at the time of purchase. In order to achieve its investment objective, the Fund may invest up to 20% of its Net Asset Value in ABS and MBS (whether investment grade or not). These may include asset-backed commercial paper, collateralised debt obligations, collateralised mortgage obligations, commercial mortgage-backed securities, credit-linked notes, real estate mortgage investment conduits, residential mortgage-backed securities and synthetic collateralised debt obligations. The underlying assets of the ABS and MBS may include loans, leases or receivables (such as credit card debt, automobile loans and student loans in the case of ABS and commercial and residential mortgages originating from a regulated and authorised financial institution in the case of MBS). The ABS and MBS in which the Fund invests may use leverage to increase return to investors. Certain ABS may be structured by using a derivative such as a credit default swap or a basket of such derivatives to gain exposure to the performance of securities of various issuers without having to invest in the securities directly. Investors are encouraged to read the relevant risk disclosures contained in the section "Specific Risk Considerations". In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. The Fund intends to take full advantage of the ability to invest in derivatives (including total return swaps that have fixed income transferable securities and fixed income related securities as underlying assets) with the aim of maximising returns. <u>Any ESG Criteria referenced below will apply only to the underlying securities of derivatives used by the Fund.</u> The Fund's exposure to ABS and MBS may not exceed 20% of its Net Asset Value. The Fund's exposure to contingent convertible bonds is limited to 20% of its Net Asset Value. The Fund's exposure to Distressed Securities may not exceed 10% of its Net Asset Value. ESG Policy The ESG criteria will be applied to issues at the time of purchase, and consists of: (i) a rating of BB or higher as defined by MSCI's ESG Intangible Value Assessment Ratings or MSCI ESG Sovereign Government <u>Government</u> Ratings as applicable; (ii) for corporate issues a score of one or above as defined by MSCI's ESG Controversies score, or their equivalents as determined by the Investment Adviser from time to time (further details regarding MSCI's rating criteria is available on MSCI's website at www.msci.com); and (iii) the exclusion of issuers of securities that have a certain level of exposure to,



Fund	New Disclosures
	or ties with, sectors including (but not limited to) controversial weapons (i.e. nuclear, cluster munitions, biological-chemical, landmine, depleted uranium, or incendiary weapons), civilian firearms, tar sands, thermal coal extraction and generation, gambling, adult entertainment and tobacco. The Investment Adviser also intends to exclude issuers of securities that are deemed to have breached one or more of the ten UN Global Compact Principles, which cover human rights, labour standards, the environment and anti-corruption. The United Nations Global Compact is a United Nations initiative to implement universal sustainability principles. <u>The Investment Adviser may use other data providers and criteria to assess the ESG credentials and suitability of securitised assets such as ABS and MBS.</u> <u>The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities).</u> <u>More than 90% of the issuers of securities in which the Fund invests shall be ESG rated or have been analysed for ESG purposes.</u> To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. <u>The Fund may gain limited indirect exposure (through, including but not limited to, derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities)) to issuers with exposure that do not meet the ESG criteria described above.</u> Base Currency Euro (EUR) Type of Fund Bonds, Total Return Benchmark Use The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg MSCI Euro Corporate Sustainable SRI Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the ESG aspects of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by shareholders to compare the performance of the Fund. Investors may use the Bloomberg Euro Corporate Index (80%) and the Bloomberg Global Corporate Index (20%) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. <u>The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index after eliminating at least 20% of the least well-rated securities from the index.</u> <u>Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/</u> Valuation and Dealing Dealings in shares of BlackRock ESG Euro Corporate Bond Fund can normally be effected daily. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the local Investor Servicing team before 12 noon Luxembourg time on any Dealing Day (the "Cut-Off Point") and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the local Investor Servicing team after the Cut-Off Point will be dealt with on the next Dealing Day. Please see Section "Dealing in Fund Shares".
BlackRock ESG Euro Short Duration Bond Fund	Investment Objective The BlackRock ESG Euro Short Duration Bond Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance "ESG" focused investing. The Fund will seek to invest at least 80% of its total assets in investment grade fixed income transferable securities and fixed income related securities (including derivatives). When determined appropriate, the Fund will also invest in cash and near-cash instruments. The fixed income securities will be issued by, or give exposure to, companies, governments and agencies domiciled worldwide. 90% of the Fund's total assets will be invested in accordance with the ESG Policy described below at the time of purchase. Currency exposure is flexibly managed. At least 70% of total assets will be invested in fixed income transferable securities denominated in Euro with a duration of less than five years. The average duration is not more than three years.

Fund	New Disclosures
	In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. The Fund intends to take full advantage of the ability to invest in derivatives (including total return swaps that have fixed income transferable securities and fixed income related securities as underlying assets) with the aim of maximising returns. <u>Any ESG criteria referenced below will apply only to the underlying securities of derivatives used by the Fund.</u> The Fund's exposure to ABS and MBS may not exceed 20% of its Net Asset Value. The Fund's exposure to contingent convertible bonds is limited to 10% of its Net Asset Value. The Fund's exposure to Distressed Securities is limited to 10% of its Net Asset Value. ESG Policy The ESG criteria will be applied to issues at the time of purchase, and consists of: (i) a rating of BB or higher as defined by MSCI's ESG Intangible Value Assessment Ratings or MSCI ESG Sovereign Government Ratings as applicable; (ii) for corporate issues a score of one or above as defined by MSCI's ESG Controversies score, or their equivalents as determined by the Investment Adviser from time to time (further details regarding MSCI's rating criteria is available on MSCI's website at www.msci.com); and (iii) the exclusion of all issuers of securities that derive more than a limited revenue amount from sectors including (but not limited to) controversial weapons (i.e. nuclear, cluster munitions, biological-chemical, landmine, depleted uranium, or incendiary weapons), civilian firearms, tar sands, thermal coal extraction and generation, gambling, adult entertainment and tobacco. The Investment Adviser also intends to exclude issuers of securities that are deemed to have breached one or more of the ten UN Global Compact Principles, which cover human rights, labour standards, the environment and anti-corruption. The United Nations Global Compact is a United Nations initiative to implement universal sustainability principles. <u>The Investment Adviser may use other data providers and criteria to assess the ESG credentials and suitability of securitised assets such as ABS and MBS.</u> <u>The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities).</u> <u>More than 90% of the issuers of securities in which the Fund invests shall be ESG rated or have been analysed for ESG purposes. In applying its ESG Policy, the Fund reduced its allocation to sovereign securities compared to the FTSE World Government Bond Index and the JP Morgan EMBI Global Diversified Index by at least 20%. The Fund shall not invest in the bottom quintile of sovereign issuers according to an ESG assessment of the worldwide sovereign universe.</u> To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits. The Fund may gain limited indirect exposure (through, including but not limited to, derivatives, <u>cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities))</u> to issuers with exposures that do not meet the ESG criteria described above. Base Currency Euro (EUR) Type of Fund Bonds, Total Return Benchmark Use The Fund is actively managed and the Investment Adviser has discretion to select the Fund's investments. In doing so, the Investment Adviser will refer to the Bloomberg MSCI Euro Aggregate 1-3 Years Sustainable SRI Index (the "Index") when constructing the Fund's portfolio, and also for risk management purposes to ensure that the active risk (i.e. degree of deviation from the Index) taken by the Fund remains appropriate given the Fund's investment objective and policy. The Investment Adviser is not bound by the components or weighting of the Index when selecting investments. The Investment Adviser may also use its discretion to invest in securities not included in the Index in order to take advantage of specific investment opportunities. However, the ESG aspects of the investment objective and policy may have the effect of limiting the extent to which the portfolio holdings will deviate from the Index. The Index should be used by shareholders to compare the performance of the Fund. Investors may use the Bloomberg Euro-Aggregate 1-3 Years 500mm+ Bond Index (80%) and Bloomberg Global Aggregate 1-3 Years Index (20%) (the "ESG Reporting Index") to assess the impact of ESG screening on the Fund's investment universe. The ESG Reporting Index is not intended to be used when constructing the Fund's portfolio, for risk management purposes to monitor active risk, or to compare the performance of the Fund. <u>The weighted average ESG rating of the corporate portion of the Fund will be higher than the ESG rating of the corporate portion of the ESG Reporting Index after eliminating at least 20% of the least well-rated securities from the index.</u> Further details are available on the index provider website at https://www.bloomberg.com/company/press/bloomberg-completes-fixed-income-indices-rebrand/



Fund	New Disclosures
	Valuation and Dealing Dealings in shares of BlackRock ESG Euro Short Duration Bond Fund can normally be effected daily. Orders for subscription, redemption and conversion of Shares should be received by the Transfer Agent or the local Investor Servicing team before 12 noon Luxembourg time on any Dealing Day (the "Cut-Off Point") and the prices applied will be those calculated in the afternoon of that day. Any dealing orders received by the Transfer Agent or the local Investor Servicing team after the Cut-Off Point will be dealt with on the next Dealing Day. Please see Section "Dealing in Fund Shares".