

The information provided in the questionnaire is current as of November 2019 unless indicated otherwise.

1. List of funds covered by this Code of transparency

Name of the Funds :

ESG ETFs covered:

iShares MSCI USA SRI UCITS ETF
 iShares MSCI Europe SRI UCITS ETF
 iShares MSCI Japan SRI UCITS ETF
 iShares MSCI EM SRI UCITS ETF
 iShares MSCI World SRI UCITS ETF
 iShares \$ Corp Bond 0-3yr ESG UCITS ETF
 iShares € Corp Bond 0-3yr ESG UCITS ETF
 iShares € Corp Bond ESG UCITS ETF
 iShares Green Bond Fund
 iShares € High Yield Corp Bond ESG UCITS ETF
 iShares \$ High Yield Corp Bond ESG UCITS ETF
 iShares J.P. Morgan ESG \$ EM Bond UCITS ETF

The following tables only applies to the ESG ETFs list above:

Strategy dominant and complementary	Main asset class	Exclusions applied by the fund	Labels	Links to documents related to the fund
<ul style="list-style-type: none"> o Best in class o Exclusion o SRI <p>All ESG ETFs listed above</p> <p>Please put first and foremost the strategy dominant applied by the SRI fund(s) and if one or more of them strategy(s) complementary(s) is / are used, indicate it (them).</p> <p>Exclusion and the commitment cannot be ticked that as a result of strategies complementary.</p>	<ul style="list-style-type: none"> o French Stocks o Stocks from countries of the euro zone o Stocks of the European Union countries <p>iShares MSCI Europe SRI UCITS ETF</p> <ul style="list-style-type: none"> o International stocks <p>iShares MSCI USA SRI UCITS ETF</p> <p>iShares MSCI Japan SRI UCITS ETF</p> <p>iShares MSCI EM SRI UCITS ETF</p>	<ul style="list-style-type: none"> o Alcohol o Armament o Coal o Non-conventional fossil fuels o Global Compact o Tobacco o Other sectoral policies (specify) <p>Some exclusions apply to all ESG ETFs and Funds listed above. Exclusions may differ depending on the asset class and exposure.</p> <p>For further information specific to each</p>	<ul style="list-style-type: none"> o SRI label <p>Obtained for the ETF listed above excluding:</p> <p>iShares Green Bond Fund</p> <p>iShares € High Yield Corp Bond ESG UCITS ETF</p> <p>iShares \$ High Yield Corp Bond ESG UCITS ETF</p> <p>iShares J.P. Morgan ESG \$ EM Bond UCITS ETF</p>	<ul style="list-style-type: none"> o DICI o Prospectus o Management report o Financial and non-financial reporting o Various presentations o Other (specify) <p>Please visit https://www.blackrock.com/fr</p> <p>Here each Fund's own product page provides links to that Fund's share-class specific KIIDs, the relevant iShares Umbrella Fund Prospectus and latest Annual Report.</p>

	<p>iShares MSCI World SRI UCITS ETF</p> <ul style="list-style-type: none"> ○ Bonds and other securities of receivables denominated in euros <p>iShares € Corp Bond 0-3yr ESG UCITS ETF</p> <ul style="list-style-type: none"> ○ Bonds and other securities of receivables international <p>iShares \$ Corp Bond 0-3yr ESG UCITS ETF</p> <p>iShares Green Bond Fund</p> <p>iShares € High Yield Corp Bond ESG UCITS ETF</p> <p>iShares \$ High Yield Corp Bond ESG UCITS ETF</p> <p>iShares J.P. Morgan ESG \$ EM Bond UCITS ETF</p> <ul style="list-style-type: none"> ○ Monetary ○ Monetary short term ○ Funds at formula 	<p>Fund, please see the Prospectuses as linked in the last column of this table</p>		
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Source: BlackRock, as at November 2019.

2. General data on the management company

2.1. Name of the management company in charge the fund or funds to which this Code applies

BlackRock Inc. is the ultimate parent company of its various contracting entities. This includes BlackRock Asset Management Ireland Ltd, the management company for all of BlackRock's Irish-domiciled UCITS ETFs.

2.2. What is the history and principles of the management company's responsible investment approach?

- Provide the link to the pages of the website dedicated to responsible investment.

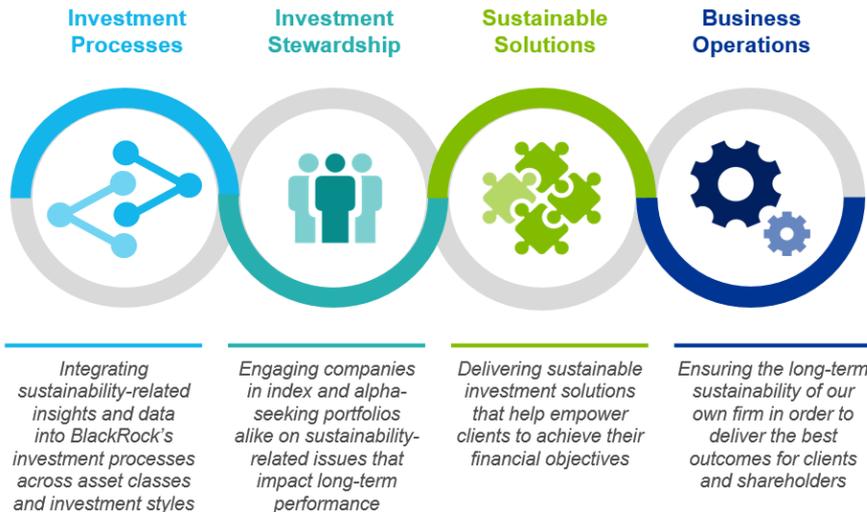
History of Sustainable Investing at BlackRock

BlackRock has a long history in managing strategies with sustainable objectives, dating back to the 1970s when we began offering screened portfolios. The platform leverages the expertise of the firm's investment and risk management teams to develop and manage strategies that meet our investors' social and environmental objectives alongside their financial goals. With deep expertise in optimized passive portfolios, green bonds, global renewable power, infrastructure, and public equity, we seek to continue to build products and customized solutions across asset classes. BlackRock Sustainable Investing brings together the world-class analytics and global resources of BlackRock to provide institutional quality solutions, industry thought leadership, and tools to make sustainable investing more clear and accessible to our investors.

General approach to sustainability at BlackRock

We are an asset manager whose objective is to create better financial futures for our clients and the people they serve. As outlined in the BlackRock Mission Statement on Sustainability, which is available on our website at: <https://www.blackrock.com/corporate/literature/publication/blk-sustainability-mission-statement-web.pdf> we aspire to be an industry leader in how we incorporate sustainability into:

- our investment processes and learning across the firm;
- our stewardship of our clients' assets;
- our sustainable investment solutions offered to our clients; and
- the operations of our own business.



“A company's ability to manage **environmental, social, and governance** matters demonstrates the leadership and good governance that is so **essential to sustainable growth.**”

– Larry Fink, 2018 Letter to CEOs

2.3 How did the management company formalise its approach as a responsible investor?

- Provide the web link to the responsible investment policy;

Sustainable Investing Policy

BlackRock's ESG Investment Statement is available at:

<https://www.blackrock.com/corporate/literature/publication/blk-esg-investment-statement-web.pdf>

This statement details our commitment to integrate sustainability insights—often referred to as ESG, or environmental, social and governance, insights—into our investment processes. It explains our ESG integration philosophy, discusses the roles and responsibilities for ESG integration work and the governance structure for these activities, and provides an overview of our approach to ESG integration. This statement applies to all investment divisions and investment teams at the firm, and therefore applies to all assets under management and assets under advisory. The statement is reviewed at least annually and is updated when necessary to reflect changes to our approach or our business.

Certain investment groups within BlackRock have developed team-level sustainable investment or ESG integration policies or statements covering their investment activities. Our global statement underpins these and provides a cohesive structure for sustainable investing at BlackRock.

- Provide the internet link to the voting rights exercise policy;

Our market-specific voting guidelines are available on our website at <https://www.blackrock.com/corporate/about-us/investment-stewardship#principles-and-guidelines>

- Give the internet link to the commitment policy.

Please see the link above to BlackRock's Mission Statement on Sustainability.

For further public disclosures please see the following link:

<https://www.blackrock.com/corporate/responsibility>

2.4. How is the issue addressed? ESG risks / opportunities including those related to climate change by the management company?

Firmwide research capabilities on climate change

- The BlackRock Sustainable Investing team houses a dedicated ESG research function, which seeks to produce specific insights from ESG materiality to portfolio implementation methodologies to share across our investment teams and further drive our ESG integration efforts to enhance risk-adjusted return.
- At BlackRock, we believe all investors should incorporate climate awareness into their investment processes. As a fiduciary and long-term investor, we recognize that ESG issues, including climate risk considerations, can have real and quantifiable financial impacts.
- In April 2019, BlackRock Sustainable Investing and the BlackRock Investment Institute published a paper titled "Getting physical: scenario analysis for assessing climate-related risks": <https://www.blackrock.com/us/individual/insights/blackrock-investment-institute/physical-climate-risks>. This paper uses big-data analytics to compare the direct physical climate risks facing asset classes today, as well as in a variety of forward-looking scenarios, including a "no action" case. We believe that investors are not fully pricing the impact of climate-related risks into their portfolios.
- BlackRock has long been a proponent for climate-aware investing. This work builds off of our 2016 piece: "Adapting portfolios to climate change: Implications and strategies for all investors", available at <https://www.blackrock.com/corporate/literature/whitepaper/bii-climate-change-2016-us.pdf>

Enabling investors to take climate risks into consideration

- BlackRock has integrated carbon emissions data into our internal systems and made this available to our portfolio managers via Aladdin. This provides portfolio managers one set of data points to evaluate portfolio and asset exposures to climate change over the long term. Our portfolio managers have the ability to view the data both at an issuer level and at an aggregate portfolio level alongside the traditional financial metrics they consider. The specific approach for incorporating climate risk is dependent on the portfolio management style and the specific investment strategy.
- Portfolio managers and analysts are responsible for evaluating the environmental (as well as social and governance) risks and opportunities for an industry or company as they consider potential economic issues related to their investments. The fundamental climate change issues BlackRock takes into account may include: risks including regulatory change or litigation, opportunities such as government incentives for renewable energy, exposure to physical impacts such as flooding or other extreme weather events or changes in temperature, and social and corporate premiums placed on sustainable brands.

BlackRock views climate risks as having the potential to materially impact the companies in which we invest on behalf of our clients. Since all companies are impacted by environmental policies or changes, this topic is likely to arise in many engagement conversations. As such, climate risk is a key engagement theme for the Investment Stewardship team.

The aims of our climate risk engagements are twofold: (1) to gain a better understanding, through disclosures, of the processes that each company has in place to manage climate risks, and (2) to understand how those risks are likely to impact the business. For directors of companies in sectors that are significantly exposed to climate risk, the expectation will be for the whole board to have demonstrable fluency in how climate risk affects the business and management's approach to adapting and mitigating the risk. Assessments will be made both through corporate disclosures and direct engagement with independent board members, if necessary.

For more information, please read our commentary on our approach to engagement on climate risk, which can be found here <https://www.blackrock.com/corporate/literature/publication/blk-commentary-engaging-on-climate-risk.pdf>.

More information on our engagements on climate risk can be found in our 2018 Annual Report here <https://www.blackrock.com/corporate/literature/publication/blk-annual-stewardship-report-2018.pdf> and our 2019 Annual Report found here <https://www.blackrock.com/corporate/literature/publication/blk-annual-stewardship-report-2019.pdf>

ESG Integration into Passive Mandates

Please note that the ESG ETFs that relate to this questionnaire all track indices which are already screened by the relevant index providers on specific ESG criteria. Therefore, because index portfolio managers do not have discretion to add securities outside of those in the benchmark index nor remove securities that continue to be held in the relevant index, our approach to ESG integration in index investment mandates emphasises our investment stewardship activities. Direct engagement with companies, including proxy voting, is the mechanism we use to integrate and advance material sustainability insights to enhance long term risk adjusted return. Our investment stewardship efforts benefit from firm-wide data and insights on sustainability-related issues, and our investment teams benefit from the sustainability insights derived from our stewardship activities – a powerful, positive feedback loop.

2.5. Which teams are involved in the responsible investment activity of the management company?

BlackRock ETF & Index Investment Strategies ('EII') Team

BlackRock's equity index mutual Funds and ETFs are managed by the EII team.

The Head of Portfolio Management for EMEA is based in London along with 33 portfolio managers.

BlackRock Fixed Income Core Portfolio Management ('CorePM') Team

BlackRock's fixed income index mutual funds and ETFs are managed by the Core PM within our Systematic Fixed Income division. The teams are based in London and San Francisco.

Firmwide ESG resources

- Sustainable investment lies at the core of BlackRock's business, as both an asset manager and a fiduciary to our clients. BlackRock's Chief Executive Officer and Chairman of the Board, Larry Fink, is a public proponent of long-term investing, and routinely communicates the value of sustainable investing, investment stewardship, and corporate ESG disclosure. Larry Fink advocates for these issues in his most recent annual letter to CEOs, which is located here: <https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>
- BlackRock employs dedicated sustainable investing resources across the firm. The BlackRock Sustainable Investing team, the Investment Stewardship team, and individuals across our global investment teams work together to advance ESG research and integration, active ownership including engagement and voting, as well as the development of sustainable investment strategies and solutions.

Governance and Team Structure

- All investment professionals play a part in ensuring that ESG considerations are taken into account within BlackRock's investment practices. Senior representatives from each investment team across the firm lead in this effort, with support given by one or more representatives from investment groups across the firm, who work together to advance ESG research and integration, support active ownership, and develop sustainable investment strategies and solutions.
- The BlackRock Sustainable Investing team consists of 22 professionals globally as at August 2019. The Global Head of BlackRock Sustainable Investing oversees the firm's achievement of its sustainable investment objectives, including setting sustainable investment standards and procedures and governing their execution. The Global Head of BlackRock Sustainable Investing is responsible for the oversight and management of the team focused on identifying drivers of long-term return associated with environmental, social and governance issues, integrating them throughout BlackRock's investment processes, and creating solutions for our clients to achieve sustainable investment return.
- The Global Head of BlackRock Investment Stewardship oversees the development of the firm's global engagement principles and regional proxy voting guidelines, and ensures consistent execution of these governing documents in the team's analysis and corporate engagement to evaluate portfolio company corporate governance.

BlackRock Investment Stewardship Team Overview

BlackRock's number one focus, as a fiduciary investor, is on generating the long-term sustainable financial returns on which our clients depend to meet their financial goals. Investment Stewardship is focused on assessing the quality of management, board leadership and standards of operational excellence – in aggregate, corporate governance – at the public companies in which we invest on behalf of our clients. We see this responsibility as part of our fiduciary duty, through which we contribute to BlackRock's mission to create a better financial future for our clients.

Taken collectively, the complex corporate governance tapestry requires a deep commitment to stewardship that employs an overlay approach to ensure that BlackRock can most effectively use its voice as a long-

term, actively engaged shareholder to protect the economic interests of our clients. We view investment stewardship engagement and voting as a client asset that over time can shape the trajectory of an investment.

BlackRock frames its corporate governance programme, including the treatment of environmental and social issues, within an investment context. We have long believed that a sound corporate governance framework promotes strong leadership by boards of directors as well as good management practices, and contributes to the long-term financial success of companies.

The BlackRock Investment Stewardship team consists of over 45 dedicated professionals responsible for encouraging sound corporate governance practices at the companies in which we invest on behalf of clients. The team does this primarily through engagement and proxy voting. The Stewardship team is strategically positioned as an investment function. It bridges BlackRock's various portfolio management groups, and helps to protect and enhance value for our clients through our full range of mandates that includes alpha-seeking, factor, indexing, and sustainability strategies. The team confers regularly with portfolio managers to share insights on governance and performance matters relevant to investment decisions. We have committed to increase the size of the investment stewardship team over the next few years, which will enable BlackRock to significantly increase its engagement activities and foster more strategic engagement by building a framework for deeper, more frequent, and more productive conversations.

Strategically located in BlackRock's US, UK, Japan, Singapore, Hong Kong and Australia offices, the team leverages regional and local market expertise, and mastery of more than 10 languages, to facilitate constructive dialogue with portfolio companies and contribute to the global discourse on ESG trends in investment. From our vantage point, effective and meaningful corporate governance requires a global team in order to build a deep understanding of the risks and opportunities of our portfolio companies across markets, regions, and sectors. We need to understand the local market's culture and regulatory environment. As no single governance model works best universally, and even when comparing developed markets, such as Japan, the US and the UK, we find significant differences.

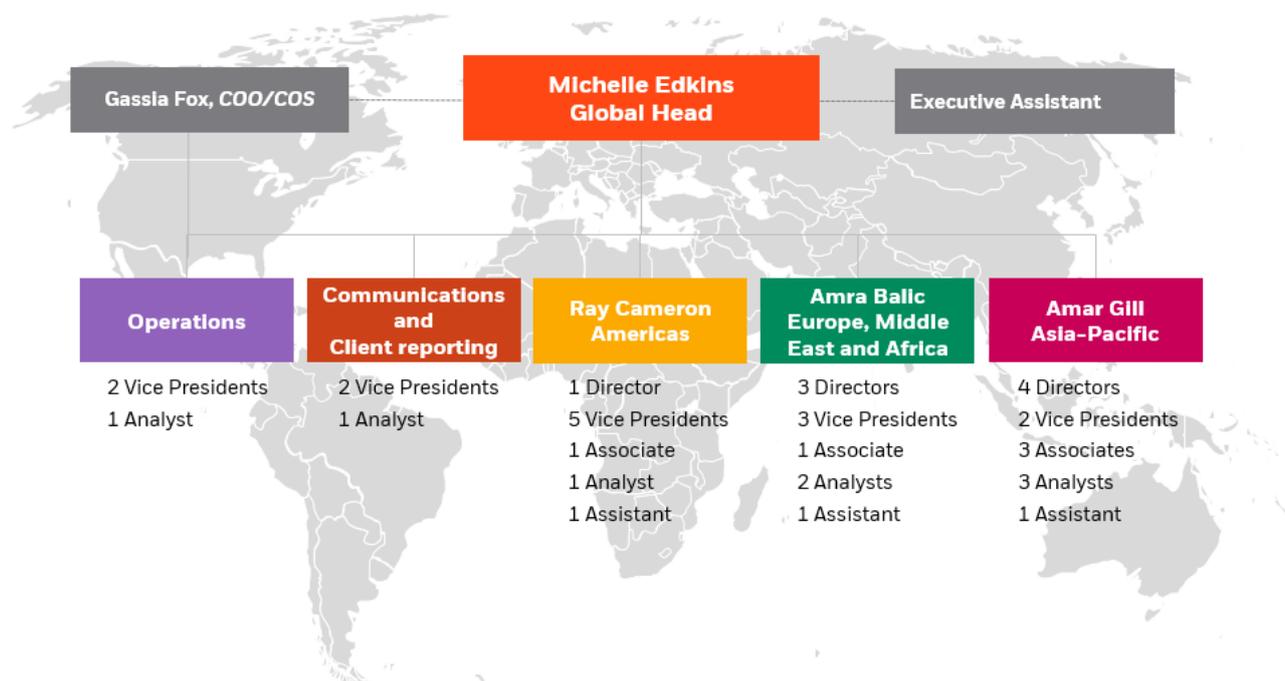
Local presence gives the Investment Stewardship team credibility with companies and clients as we understand the context within which they operate and are part of their ecosystem. Sharing local insights about leadership practices, emerging trends and policy developments with colleagues globally contributes to the understanding and insights of the whole team. These diverse perspectives help the team to evolve and to enhance our effectiveness as a trusted partner to clients and a constructive investor to companies. Being local means we can participate actively in industry collaborations, committees, and conferences alongside companies and clients, bringing a global perspective in our contribution.

As a fiduciary investor, BlackRock has a duty to protect and enhance the value of our clients' assets. The Investment Stewardship team fulfils this duty on behalf of all clients regardless of whether ESG is an explicit part of the investment management agreement, and irrespective of investment vehicle (e.g., fund or separate account) or strategy (e.g., active or passive).

For more information about the BlackRock Investment Stewardship team, please read the profile of the team's work available on our website. This report sets out the philosophy and approach of the BlackRock Investment Stewardship team in promoting sound business practices aligned with long-term value creation. The team's profile can be found here: <https://www.blackrock.com/corporate/literature/publication/blk-profile-of-blackrock-investment-stewardship-team-work.pdf>

BlackRock Investment Stewardship – global team with local presence

7 Offices Globally | 45+ Member Team | 85 Voting Markets | Leveraging the global expertise of our Portfolio Managers, Researchers, Specialists



Source: BlackRock September 2019

BlackRock Investment Stewardship Team: Overall Approach

At BlackRock we frame our investment stewardship programme, including the treatment of environmental, social and corporate governance factors, within an investment context. We believe that a sound corporate governance framework promotes strong leadership by boards of directors and good management practices, contributing to the long-term success of companies and better risk-adjusted returns to our clients. We recognise that corporate governance practices and expectations differ around the world. Even so, there are high-level corporate governance principles that we believe apply universally: transparency and accountability to those who provide capital; oversight by a well-informed, experienced board; robust accounting and risk management systems; and sound policies on business management issues such as employee and supplier relations, environmental impacts and compliance with regulations.

BlackRock takes a long-term perspective in its investment stewardship programme informed by two key characteristics of our business: the majority of our clients are saving for long-term goals so we presume they are long-term shareholders, and the majority of our equity holdings are in index-tracked portfolios so our clients are, by definition, long-term shareholders.

Our stewardship programme applies to companies in all sectors and geographies and to holdings in index-tracked and active portfolios. The corporate governance programme led by the Investment Stewardship team is integrated within all portfolios investing in public companies, whether clients invest in branded sustainable investing funds or in our core index and active investment strategies. The Investment Stewardship team acts as a central clearinghouse of BlackRock's views across the various portfolios with holdings in individual companies and aims to present a clear and consistent message. The core components of the Investment Stewardship programme are:

- Analysing corporate governance, including environmental and social factors, impacting the long-term value of our clients' investment
- Engaging with management or board members on corporate governance, social and environmental factors

- Voting at company shareholder meetings in the best long-term economic interests of shareholders
- Participating in market level dialogue to understand and contribute to the development of policies and practices that support long-term shareholder value creation

2.6. What is the number of SRI analysts and the number of SRI managers employed by the management company

Please see the answer directly above.

2.7. In which Responsible Investment initiatives is the management company involved?

BlackRock engages the global investment and corporate community to promote a sustainable financial system through a number of coalitions and shareholder groups. The table below highlights some of the initiatives we participate in. We also work informally with other shareholders (where such activities are permitted under the law) to engage companies on specific issues or to promote market-wide enhancements to current practice.

Global		
<ul style="list-style-type: none"> • The 30% Club • CDP • FCLT Global • Green Bond Principles • GRESB • International Corporate Governance Network 	<ul style="list-style-type: none"> • International Integrated Reporting Council • Principles for Responsible Investment • Sustainability Accounting Standard Board (SASB) • Sustainable Stock Exchanges Initiative • Task Force on Climate-related Financial Disclosures 	
Europe, Middle East, and Africa	US	Asia Pacific
<ul style="list-style-type: none"> • The Investment Association • Global Corporate Governance Forum • Institutional Investors Group on Climate Change (IIGCC) • European Fund and Asset Management Association (EFAMA) • Pensions and Lifetime Savings Association 	<ul style="list-style-type: none"> • Ceres Investor Network on Climate Risk • Council of Institutional Investors • The Conference Board • The Independent Steering Committee of Broadridge • Program on Institutional Investors, The Harvard Law School • The Association of Capital Markets Investors (AMEC) • The Stanford Institutional Investors' Forum 	<ul style="list-style-type: none"> • Securities and Futures Commission • Hong Kong Investment Funds Association • Financial Services Council • Investor Group on Climate Change • Asian Corporate Governance Association • Australian Institute of Company Directors • Responsible Investment Association Australasia • Australian Business Leaders Reporting Forum (IFAC)

Source: BlackRock, as at 31 July 2019.

2.8. What is the total outstanding amount of the management company's SRI assets?

BlackRock currently manages a broad suite of investment solutions on behalf of our clients, in which sustainability themes are central to mitigating risk and enhancing long-term returns. As at 30 June 2019,

BlackRock had \$66.6B in dedicated sustainable assets across ESG, thematic and impact investments, and an additional \$505.6B in screened investment solutions.

The products on BlackRock Sustainable Investing's platform range from green bonds and renewable infrastructure to thematic strategies that allow clients to align their capital with the UN Sustainable Development Goals. BlackRock is the largest provider of sustainable ETFs, including the industry's largest low-carbon ETF; we manage one of the largest renewable power funds globally, and we offer portfolio-level impact reporting for a co-mingled green bond product. With deep expertise in alpha-seeking and index strategies, across both public equity and debt, private renewable power, commodities and real asset strategies, we are continuing to build scalable products and customized solutions across asset classes.

Our range of innovative investment products, services and strategies spans across four main segments as shown below:

- **Screens:** BlackRock offers a wide range of services, customized solutions in separate accounts, and screened co-mingled products. BlackRock can also help clients understand the financial impact of screening approaches, and also how to optimize a portfolio's financial performance after exclusions.
- **ESG:** BlackRock offers a range of products for clients interested in aligning their capital with higher ESG performance. ESG best-in-class index products offer a higher conviction strategy for clients interested in overweighting the highest-scoring ESG companies, and underweighting the lowest ESG scoring companies. ESG optimized index products offer a way for clients to maximize the overall increase in the ESG score of their portfolio while closely tracking parent indices.
- **Thematic:** BlackRock offers thematic products for clients interested in focusing on specific E, S, or G themes within the sustainable investing universe. For example, BlackRock has built a particular thematic expertise in climate change & clean energy: we launched the first low-carbon ETF, which overweights companies based on their carbon efficiency, and run an active equity strategy based on companies that are best positioned to capitalize on New Energy transitions.
- **Impact:** BlackRock offers solutions for clients seeking impact solutions that can measure specific environmental or societal outcomes. BlackRock offers portfolio level impact reporting for a commingled green bond product, and runs one of the world's largest Renewable Power infrastructure funds.

2.9. What is the percentage of the management company's SRI assets in relation to the total assets under management?

As stated above, BlackRock had \$66.6bn dedicated sustainable assets as at 30 June 2019, with a further \$505.6bn in screened investment solutions. BlackRock's total AUM stood at \$6.84 trn as at 31 July 2019. Please note that the total AUM is only calculated quarterly. The total percentage of BlackRock's SRI assets is approximately 8%.

2.10. Which SRI funds are open to the public managed by the management company?

All of BlackRock's ESG, ETFs and fund that relate to the questionnaire are open for investment to both institutional and retail investors.

3. General data on the SRI fund(s) presented in this Transparency Code

3.1 What is (are) the objective(s) sought by taking into account ESG criteria within of the fund(s)?

Being passively managed ETF's, all of the Funds seek to provide investors with a return which reflects that of their respective Benchmark Indices. In order to achieve their investment objectives, each Fund will invest into a portfolio of securities which as far as possible and practicable replicates the constituents of the Benchmark Index in question. Each Benchmark Index will be constructed from a subset of equity or fixed income securities within its Parent Index which are issued by companies with higher ESG ratings than other sector peers within the Parent Index, based on a series of exclusionary and ratings based criteria.

Please refer to the links below for the index methodology of the ETF and Funds under review:

- iShares Green Bond Fund
Benchmark : Bloomberg Barclays Global Green Bond
https://www.msci.com/documents/10199/242721/Barclays_MSCI_Green_Bond_Index.pdf/6e4d942a-0ce4-4e70-9aff-d7643e1bde96
- iShares MSCI EM SRI UCITS ETF
Benchmark : MSCI EM SRI Index
https://www.msci.com/eqb/methodology/meth_docs/MSCI_SRI_Methodology_May2019.pdf
- iShares MSCI Europe SRI UCITS ETF
Benchmark : MSCI Europe SRI Index
https://www.msci.com/eqb/methodology/meth_docs/MSCI_SRI_Methodology_May2019.pdf
- iShares MSCI Japan SRI UCITS ETF
Benchmark : MSCI Japan SRI
https://www.msci.com/eqb/methodology/meth_docs/MSCI_SRI_Methodology_May2019.pdf
- iShares MSCI USA SRI UCITS ETF
Benchmark : MSCI USA SRI Index
https://www.msci.com/eqb/methodology/meth_docs/MSCI_SRI_Methodology_May2019.pdf
- iShares MSCI World SRI UCITS ETF
Benchmark : MSCI WORLD SRI Select
https://www.msci.com/eqb/methodology/meth_docs/MSCI_SRI_Methodology_May2019.pdf
- iShares € Corp Bond SRI 0-3yr UCITS ETF
Benchmark : Bloomberg Barclays MSCI Euro Corporate 0-3 Sustainable SRI
<https://www.msci.com/documents/1296102/7944701/Bloomberg+Barclays+MSCI+ESG+FI+Index+Guide.pdf/cce7006e-697e-4ae4-9cee-23462115907e>
- iShares € Corp Bond ESG UCITS ETF
Benchmark : Bloomberg Barclays Euro Corporate Sustainable SRI
<https://www.msci.com/documents/1296102/7944701/Bloomberg+Barclays+MSCI+ESG+FI+Index+Guide.pdf/cce7006e-697e-4ae4-9cee-23462115907e>
- iShares \$ Corp Bond ESG 0-3yr UCITS ETF

Benchmark : Bloomberg Barclays MSCI US Corporate 0-3 Sustainable SRI Index
<https://www.msci.com/documents/1296102/7944701/Bloomberg+Barclays+MSCI+ESG+FI+Index+Guide.pdf/cce7006e-697e-4ae4-9cee-23462115907e>

- iShares J.P. Morgan ESG \$ EM Bond UCITS ETF
Benchmark: JP Morgan ESG EMBI Global Diversified index
<https://www.jpmorgan.com/country/US/en/detail/1320566638713>
- iShares € High Yield Corp Bond ESG UCITS ETF
Benchmark: BBG Barc MSCI Euro Corporate High Yield Sustainable BB+ SRI Bond Index
Please refer to appendix 1
- iShares \$ High Yield Corp Bond ESG UCITS ETF
Benchmark: BBG Barc MSCI US Corporate High Yield Sustainable BB+ SRI Bond Index
Please refer to appendix 2

Impact assessment on the ESG criteria is measured and published annually on our website.

3.2. What are the internal and external resources used for the ESG evaluation of issuers forming the investment universe of the funds?

As stated above, it is conducted by the relevant index providers, not BlackRock.

Please visit <https://www.blackrock.com/fr> where each Fund's own product page will provide a link to the relevant Prospectus. In each Prospectus the specific exclusion criteria of each Benchmark Index is provided in detail.

In addition, we have specific teams involved on ESG activities. Please see resources 2.5.

3.3. Which ESG criteria are taken into account by the fund(s)?

As stated above, ESG criteria taken into account can be reviewed on the relevant index methodology. Please also see the answer above regarding our approach to proxy voting.

Approach to Engagement

We believe that companies with sound corporate governance practices, including how they manage the environmental and social aspects of their operations, better mitigate risk over the long term, and offer better risk-adjusted returns. We engage with companies held in our full range of mandates that includes alpha-seeking, factor, indexing, and sustainability strategies alike to encourage them to adopt the robust business practices consistent with sustainable long-term performance. Our Investment Stewardship efforts, including our direct engagement and voting activities, encourage companies to deliver long-term, sustainable growth and returns for our clients. As a large investor, we are able – and feel a responsibility – to monitor the companies in which we invest and to engage with them constructively and privately where we believe that would help protect clients' interests. As a fiduciary investor, BlackRock evaluates how companies manage the material sustainability-related risks and opportunities within their businesses. Engagement helps build mutual understanding on any issues where we are concerned that a company's practices fall short of operational excellence. It also helps us assess a company's approach to governance in the context of its specific circumstances.

Engagement is core to our stewardship programme as it helps us assess a company's approach to governance, including the management of relevant environmental and social factors. To that end, we conduct approximately 2,000 engagements a year on a range of ESG issues likely to impact our client's

long-term economic interests. We meet with executives and board directors, communicate with the company's advisors, and engage with other shareholders where appropriate. We have committed to increase the size of the investment stewardship team over the next few years, which will enable BlackRock to significantly increase its engagement activities and foster more effective engagement by building a framework for deeper, more frequent, and more productive conversations.

As a long-term investor, we are patient and persistent in working with our portfolio companies to build trust and develop mutual understanding. We do not try to micro-manage companies, or tell management or boards what to do; we present our views as a long-term shareholder and listen to companies' responses. Engagement helps better inform BlackRock's voting and investment decisions.

We do not discuss company engagements publicly because we believe you do not need to make headlines to protect shareholder value. We see environmental and social issues as corporate governance issues, integral to successful company management. We will vote against management when we judge that direct engagement has failed.

Measuring success in stewardship needs to focus on change over the long-term as meaningful changes in business and governance practices don't happen in a single quarter, and maybe not even in one year. We use our voice as an investor to provide feedback and encourage what we consider to be good governance. Company boards and management determine the strategic and operational priorities that in their judgment will best serve the interests of all the investors in the company. Market-level change requires hundreds of companies to change individually and thus takes time. Looking forward, we will continue to contribute to the dialogue at the company- and market-level to enhance business, governance and stewardship practices that are aligned with the long-term economic interests of our clients. For more information about the outcomes of past engagements, please read our 2018 Annual Report found here <https://www.blackrock.com/corporate/literature/publication/blk-annual-stewardship-report-2018.pdf> and our regional quarterly reports found here <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history>

Engagement Policy - Global Corporate Governance and Engagement Principles

BlackRock's approach to corporate governance and stewardship is explained in our Global Corporate Governance and Engagement Principles. These high-level principles are the framework for our more detailed, market-specific voting guidelines, all of which are published on the BlackRock website. The Principles describe our philosophy on stewardship (including how we monitor and engage with companies), our policy on voting, our integrated approach to stewardship matters and how we deal with conflicts of interest. These apply across different asset classes and products as permitted by investment strategies. Our Global Corporate Governance and Engagement Principles can be found here: <https://www.blackrock.com/corporate/literature/fact-sheet/blk-responsible-investment-engprinciples-global.pdf>

3.4. What principles and criteria related to climate change are taken in the account by the fund(s)?

Please refer to the relevant index methodology and to all the answers directly above in Section 3.

We prefer direct dialogue with companies on complex issues such as adaptation to a low carbon economy and other climate related issues. Our engagement with companies is continuous and covers a range of ESG issues, regardless of whether they have received shareholder proposals or not. Where we believe management's approach is reasonable, we tend to support its recommendations. On matters affecting the market as a whole, such as disclosure, we are actively involved in a range of initiatives to develop practices that apply to all affected companies.

BlackRock views climate risks as having the potential to materially impact the companies in which we invest on behalf of our clients. Since all companies are impacted by environmental policies or changes, this topic

is likely to arise in many engagement conversations. As such, climate risk is a key engagement theme for the Investment Stewardship team.

The aims of our climate risk engagements are twofold: (1) to gain a better understanding, through disclosures, of the processes that each company has in place to manage climate risks, and (2) to understand how those risks are likely to impact the business. For directors of companies in sectors that are significantly exposed to climate risk, the expectation will be for the whole board to have demonstrable fluency in how climate risk affects the business and management's approach to adapting and mitigating the risk. Assessments will be made both through corporate disclosures and direct engagement with independent board members, if necessary.

The Investment Stewardship team recently published our [approach to engagement on climate risk](#) in which we note that for the past several years we have contributed to initiatives such as the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB). Both initiatives provide frameworks for standardising disclosure of these climate risks and opportunities with a particular focus on information that investors would find material. These initiatives have enhanced our understanding of climate risk and helped guide our engagement approach. As many of the most heavily impacted companies are global, SASB and TCFD level the playing field by seeking comparable disclosures from companies within a given sector, providing investors with insight into how companies are managing these risks.

As the TCFD and SASB standards evolve, we believe they will gain wider adoption. This, in turn, will provide an opportunity to work collaboratively with companies to evolve their reporting practices and to continue to improve the relevance to investors of climate-related financial disclosures and analysis.

Please read more about our approach to engagement on climate risk found here <https://www.blackrock.com/corporate/literature/publication/blk-commentary-engaging-on-climate-risk.pdf>. More information on our engagements on climate risk can be found in our 2019 Annual Report here <https://www.blackrock.com/corporate/literature/publication/blk-annual-stewardship-report-2019.pdf>.

3.5. What is the analysis methodology and ESG evaluation of issuers (construction, evaluation scale...)?

Please see the answers to 2.4 and 3.2 above as well as the relevant index methodology.

3.6. How often is the ESG assessment reviewed? How are they managed? controversies?

The Index providers constantly monitor the sustainability characteristics (including controversies) of their index constituents and provide BlackRock with sustainability metrics on a daily basis for ESG-screened indices. These figures are closely reviewed the relevant investment teams and are disclosed publicly for each Fund on their respective product pages.

4. Management processes

4.1. How the results of ESG research are taken into account in the construction of the portfolio?

MSCI ESG research methodology underpins most of the products in the iShares suite, we do however use other research providers too (e.g. Sustainalytics and RepRisk for the JPM ESG EM ETF product (not subject to the SRI label application)).

As BlackRock's primary ESG data provider, MSCI ESG Research provides some of the most complete and consistent data and research on ESG factors, covering 6,400+ Equity and 400,000+ Fixed Income securities, spanning 198+ countries. They provide a host of valuable resources such as: headline ESG scores for client reporting, underlying metrics for more granularity, industry-adjusted ratings, and qualitative issuer reports. In addition, they are recognized as a 'Gold Standard data provider' and voted 'Best Firm for SRI research', 'Best Firm for Corporate Governance research' and 'Best firm for Indices and Benchmarks' for the last three years by SRI Connect and Extel.

4.2 How the criteria for change are they taken into account in the construction of the portfolio?

Please see the answers to 2.4 and 3.2 above.

4.3. How are issuers in the fund's portfolio that are not subject to ESG analysis (excluding UCIs) taken into account?

- Specify the amount up to which the fund may hold it.

All of the Fund's are subject to standard UCITS investment restrictions and permissions. Therefore, 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%.

4.4. Has the ESG assessment process and/or management process changed in the last twelve months?

- If so, what is the nature of the main changes?

Please refer to MSCI's methodology.

4.5. Is a portion of the assets of the fund(s) invested in solidarity organizations?

Not Applicable.

4.6. Does the fund(s) practice loan(s)? of securities?

The SRI and ESG ETFs do not currently engage in securities lending. The iShares Green Bond Index Fund (IE) is actively lending.

- If so, please specify,

(i) has a securities repatriation policy been put in place to exercise voting rights?

Securities Lending and Proxy Voting

BlackRock's approach is driven by our clients' economic interests. The decision whether to recall securities on loan to vote is based on a formal analysis of the revenue producing value to clients of loans, against the assessed economic value of casting votes. Generally, we expect that the likely economic value to clients of casting votes would be less than the securities lending income, either because, in our assessment, the resolutions being voted on will not have significant economic consequences or because the outcome would not be affected by BlackRock recalling loaned securities in order to vote. BlackRock also may, in our discretion, determine that the value of voting outweighs the cost of recalling shares, and thus recall shares to vote in that instance.

Periodically, BlackRock reviews our process for determining whether to recall securities on loan in order to vote and may modify it as necessary.

Voting Borrowed Stock

Borrowers are prevented from borrowing securities with the purpose of voting. They commit to this through industry-standard legal agreements signed with lenders (such as the Global Master Securities Lending Agreement). The practice is also ruled out by the UK Money Markets Code, published in April 2017; and by Regulation T, in the US.

(ii) do the counterparty selection rules incorporate ESG criteria?

The securities lending counterparty selection rules do not incorporate explicit ESG criteria.

Securities Lending Policy in selecting counterparties:

To minimise the risk that a borrower will default on its commitment to return securities out on loan, BlackRock's independent Risk and Quantitative Analysis Group ("RQA") performs regular and ongoing counterparty reviews and conducts credit analyses on such counterparties. In addition to this review process, credit limits and counterparty exposure are monitored and managed.

Our management of BlackRock funds' exposures to counterparties includes the diversification of trading relationships across a number of creditworthy firms. Credit standards include assessment of the counterparty's capital position, income, liquidity and leverage as well as applicable credit enhancements and an analysis of qualitative factors such as ownership structure and the firm's management. RQA receives automated feeds of all transactions executed globally, which generate daily reports for all trading activity with individual counterparties in order to facilitate the monitoring of counterparty limits. New transactions are systematically prevented if a particular counterparty has reached its credit limits.

4.7. Does the fund(s) use instruments derivatives?

- If yes, describe:
 - (i) their nature
 - (ii) the objective(s)
 - (iii) any exposure limits
 - (iv) where applicable, their impact on the SRI quality of the fund(s)

Equity UCITSETFs

We typically use exchange traded equity index futures in our strategies for the purposes of efficient portfolio management. Futures are not used for speculative or leveraged positions in the portfolio and we keep cash to fully cover all outstanding futures positions.

Exchange traded futures are employed to equitize dividend accruals as well as to manage day-to-day cash flows generated from clients trades, dividends, interest received and other activity associated with securities in the portfolio. Specifically, futures contracts are purchased to provide immediate market exposure proportionate to cash accruals and investable cash within the portfolio.

Whilst our index equity strategies seek to remain fully invested at all times, a small amount of spendable cash is retained to minimize trading and transactions costs. Generally speaking, this amounts to less than 1% of the overall portfolio. Skillful cash management and cash equitization are critical to minimizing the potential impact of cash drag and ensure tight tracking to the benchmark.

Fixed Income UCITS ETFs

Typically we do not need to use derivatives to manage passive fixed income products on a day to day basis. However, our guidelines do incorporate the use of derivatives (including Credit Default Swaps, government bond futures) for efficient portfolio management, i.e. for the purpose of acting as a temporary substitute for investment securities in the index.

Futures are only used, where permitted by clients' guidelines or the prospectus, to ensure efficient portfolio management, not for speculative or leveraged positions in the portfolio. We keep cash to fully cover all outstanding futures positions.

Exposure Limits

The risk exposure of a Fund to a counterparty to an OTC financial derivative instrument may not exceed 5% of its Net Asset Value. This limit is raised to 10% in the case of a credit institution authorised in the EEA; 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 authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

4.8. Does the fund(s) invest in mutual funds?

- If so, how do you ensure consistency between the selection policy of UCIs and the fund's SRI investment policy? Up to which point can he hold any?

As per industry standard UCITS regulations, each of the Fund's may invest up to 10% of its assets in Collective Investment Schemes ('CIS').

Please note that, being passively managed ETFs, the Funds would only invest in CIS if their respective Benchmark Indices held positions in CIS. The Benchmark Indices in question would normally not invest in CIS and therefore neither would the Funds.

5. ESG Controls

5.1. What are the internal and/or external control procedures implemented to ensure portfolio compliance with the ESG rules set for the management of the fund(s)?

Please see below for details of our pre-trade and post trade compliance process.

BlackRock has developed a highly automated compliance process to help ensure that portfolios are managed in accordance with their stated guidelines and applicable regulatory requirements. The following procedures have been implemented to help ensure that accounts are managed in accordance with applicable guidelines and regulatory requirements.

New products undergo a new account set-up process to ensure that portfolios are managed in accordance with their stated guidelines. Once guidelines have been reviewed by relevant teams, these are translated into compliance modules in our internal systems and/or processes.

When a trade or order is created the transaction is reviewed against the portfolio guidelines by a front-end compliance system on a real time basis prior to execution. If a non-compliant condition is detected, the trade or order is unable to progress further, unless reviewed and manually approved. Pre-trade compliance can be configured to reflect investment constraints related to ESG criteria or product involvement screens. Any violations are prevented by a red flag system which enables investors to embed ESG considerations at the core of their daily portfolio management process.

Our system, Aladdin, where appropriate, repeats compliance tests at the trade or order level and at portfolio level post-trade. Compliance exceptions and warnings are reviewed by relevant investment professionals and account managers. Appropriate corrective action will be taken as needed to resolve exceptions.

6. Impact measures and ESG reporting

6.1. How is the ESG quality of the fund(s) assessed?

As stated in the answer to 3.6, The Index providers constantly monitor the sustainability characteristics of their index constituents and provide BlackRock with sustainability metrics on a daily basis for ESG-screened indices. These figures are closely reviewed by the relevant investment teams and are disclosed publicly for each Fund on their respective product pages.

6.2. What ESG impact indicators are used by the fund(s)?

The funds use 4 impact indicators, with data sourced from MSCI. They reflect the funds' weighted average carbon emissions, board independence percentage, percentage of total workforce represented by collective agreements and UN Global Compact compliance.

MSCI Metric	Definition
Carbon Emissions - Scope 1+2 Intensity (t/USD million sales)	This figure represents the company's most recently reported or estimated Scope 1 + Scope 2 greenhouse gas emissions normalized by sales in USD, which allows for comparison between companies of different sizes.
Board Independence Percentage	The percentage of board members that meet MSCI's designated criteria for independence. For companies with a two-tier board, the calculation is based on members of the Supervisory Board only.
Percentage of Total Workforce Represented By Collective Agreements	This figure represents the percentage of the company's workforce that is represented by collective bargaining agreements, if such figure is reported.
Global Compact Compliance	This factor indicates whether the company is in compliance with the United Nations Global Compact principles. The possible values are Fail, Watch List, or Pass. See the ESG Controversies and Global Norms methodology document for detailed explanations. 0 means companies are in compliance.

6.3. What media supports are available to inform investors about the SRI management of the fund(s)?

Please visit <https://www.blackrock.com/fr> where each Fund's own product page will provide a link to the relevant Prospectus. In each Prospectus the specific exclusion criteria of each Benchmark Index is provided in detail.

6.4. Does the management company publish the results of its voting and engagement policies? Art. 173

- If yes, indicate the web links to the associated activity reports. Provide the link to the latest report on the exercise of the voting policy, the latest commitment report and the latest internal control report on the respect of the voting policy.

We inform clients about our engagement and voting policies and activities through direct communication and through disclosure on our website. Each year we publish an annual report, an annual engagement and voting statistics report, and our full voting record to our website and a report of our stewardship activities over the year. On a quarterly basis, we publish regional reports which provide an overview of our investment stewardship engagement and voting activities during the quarter, including market developments, speaking engagements, and engagement and voting statistics. Additionally, we make public our market-specific voting guidelines for the benefit of clients and companies with whom we engage. All of these reports are available at <https://www.blackrock.com/corporate/about-us/investment-stewardship>

Our market-specific voting guidelines are available on our website here: <https://www.blackrock.com/corporate/about-us/investment-stewardship#principles-and-guidelines>

As a large global investor, BlackRock votes at about 16,000 shareholder meetings and approximately 150,000 each year. Our starting position is to support management. We generally prefer to engage in the first instance where we have concerns, and give management time to address or resolve the issue. We vote against management proposals if the company is unresponsive or seems not to be acting in the long-term interests of shareholders. Our voting statistics are available here <https://www.blackrock.com/corporate/about-us/investment-stewardship#engagement-and-voting-history>

IMPORTANT INFORMATION

Risk Warnings

Investment in the products mentioned in this document may not be suitable for all investors. Past performance is not a reliable indicator of current or future results and should not be the sole factor of consideration when selecting a product or strategy. Capital at risk. The value of investments and the income from them can fall as well as rise and are not guaranteed. You may not get back the amount originally invested. The value of investments involving exposure to foreign currencies can be affected by exchange rate movements. We remind you that the levels and bases of, and reliefs from, taxation can change.

BlackRock has not considered the suitability of this investment against your individual needs and risk tolerance. The data displayed provides summary information. Investment should be made on the basis of the relevant Prospectus which is available from the manager.

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iShares plc, iShares II plc, iShares III plc, iShares IV plc, iShares V plc, iShares VI plc and iShares VII plc (together 'the Companies') are open-ended investment companies with variable capital having segregated liability between their funds organised under the laws of Ireland and authorised by the Central Bank of Ireland. The German domiciled funds are "undertakings for collective investment in transferable securities" in conformity with the directives within the meaning of the German Law on the investments. These funds are managed by BlackRock Asset Management Deutschland AG which is authorised and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht. iShares ETF (CH) and iShares ETF II (CH) are umbrella funds established under the Swiss Collective Investment Schemes Act (CISA) of June 23, 2006, as amended, and are divided into sub-funds. The funds are regulated by the Swiss Financial Market Supervisory Authority ("FINMA").

Further information about the Fund and the Share Class, such as details of the key underlying investments of the Share Class and share prices, is available on the iShares website at <https://www.ishares.com> or by calling +44 (0)845 357 7000 or from your broker or financial adviser. The indicative intra-day net asset value of the Share Class is available at <http://deutsche-boerse.com> and/or <http://www.reuters.com>. A UCITS ETF's units / shares that have been acquired on the secondary market cannot usually be sold directly back to the UCITS ETF itself. 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.

For Investors in France

Any subscription for shares in a sub-fund of one of the companies will be carried out according to the conditions specified in the full Prospectus, Key Investor Information Document, the French Addendum and in the Supplements of Companies as the case may be. These documents can be obtained by contacting the paying agent of the Company: BNP Paribas Securities Services, 3 rue d'Antin, 75002 Paris, tel: 00 33 1 42 98 10 00 or by visiting the French part of the site www.ishares.eu. The companies are undertakings for collective investment in transferable securities (UCITS) governed by foreign laws and approved by the Financial Regulator in the home state as a UCITS complying with European regulations. The European Directive 2009/65/EC of July 13, 2009 on UCITS, as amended, establishes common rules in order to allow the cross-border marketing of UCITS which comply with it. This common foundation did not prohibit different methods of implementation. This is why a European UCITS may be marketed in France even though the activity of such scheme would not respect rules identical to those which govern the approval of this type of product in France. This sub fund has been authorized for marketing in France by the Autorité des Marchés Financiers. Please note that the distribution of shares of some sub funds of funds is not allowed in France. This document does not constitute an offer or a solicitation in relation to the shares of the funds.

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