



Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

<p>Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.</p>	Product name: iShares Global Aggregate Bond ESG SRI UCITS ETF	
	Legal entity identifier: 54930061AIPZUK5RIZ46	
<p>The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.</p>	Environmental and/or social characteristics	
	Does this financial product have a sustainable investment objective?	
	<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes</p>	<p><input checked="" type="radio"/> <input type="radio"/> ✓ No</p>
	<p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p>	<p><input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 10% of sustainable investments</p>
	<p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p>	<p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p>
	<p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p>	<p><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p>
	<p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input checked="" type="checkbox"/> with a social objective</p> <p><input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>
	What environmental and/or social characteristics are promoted by this financial product?	
	<p>The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the Bloomberg MSCI Global Aggregate Sustainable and Green Bond ESG SRI Index, its Benchmark Index:</p> <ol style="list-style-type: none"> 1. exclusion of issuers deemed to be involved in certain activities considered to have negative environmental and/or social outcomes; 2. exclusion of issuers deemed to be involved in very severe ESG related controversies; 3. exclusion of sovereign issuers subject to United Nation Security Council (“UNSC”) Trade Sanctions; 4. exclusion of issuers considered to be lagging industry peers in their high exposure and failure to manage significant ESG risks (based on an ESG rating); and 5. exposure to investments qualifying as sustainable investments. <p>These environmental and social characteristics are incorporated through the selection of constituents in the Fund’s Benchmark Index at each index rebalance (as described below). The Benchmark Index excludes issuers based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):</p> <ul style="list-style-type: none"> • alcohol • tobacco • gambling 	

- adult entertainment
- genetically modified organisms (GMO)
- civilian firearms
- conventional weapons
- controversial weapons
- nuclear weapons
- thermal coal
- fossil fuels

The index provider defines what constitutes “involvement” in each restricted activity. This 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 Benchmark Index also excludes issuers with a ‘red’ MSCI ESG controversy flag (based on an MSCI ESG controversy score of 0). An MSCI ESG controversy score measures an issuer’s involvement (or alleged involvement) in serious controversies based on an assessment of an issuer’s operations, products and/or services which are deemed to have a negative ESG impact. An MSCI ESG controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI ESG controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

In addition the Benchmark index excludes sovereign issuers subject to United Nations Security Council (UNSC) trade sanctions.

To be included in the Benchmark Index, securities must have an MSCI ESG rating and the rating must be BBB or higher. An MSCI ESG rating is designed to measure an issuer’s resilience to long-term industry material ESG risks and how well it manages ESG risks and opportunities relative to industry peers. The index provider may consider the following environmental themes when determining an issuer’s ESG score as part of the ESG rating methodology: climate change mitigation based on greenhouse gas emissions, waste and other emissions, land use and biodiversity. The index provider may also consider the following social themes when determining an issuer’s ESG score as part of the ESG rating methodology: access to basic services, community relations, data privacy and security, human capital, health and safety and product governance. The MSCI ESG rating methodology recognises that certain environmental and social issues are more material based on the type of activity that the issuer is involved in by weighting the issues differently in the scoring methodology. Those issuers with higher MSCI ESG scores are determined by the index provider to be those issuers that may be better positioned to manage future ESG-related challenges and risks compared to their industry peers.

The Benchmark Index also allocates a proportion of its total market value to securities classified as green bonds under the index methodology. The Benchmark Index defines green bonds as fixed income securities the proceeds of which are exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes.

In addition, the Benchmark Index applies exclusions consistent with the outcomes of the EU Paris-aligned Benchmark Exclusions.

The EU Paris-aligned Benchmark Exclusions promote limiting global temperature rises within the targets set in the Paris Agreement by excluding investments in companies that have 1% or more of their revenue deriving from exploration, mining, extraction, distribution, or refining of hard coal and lignite; have 10% or more of their revenue deriving from the exploration, extraction, distribution or refining of oil fuels; have 50% or more of their revenue deriving from the exploration, extraction, manufacturing, or distribution of gaseous fuel; or have 50% or more of their revenue deriving from electricity generation having a greenhouse gas intensity greater than 100g CO₂ e/kWh.

The EU Paris-aligned Benchmark Exclusions also promote social characteristics related to (a) reduction of the availability of weapons by excluding investment in companies with involvement in activities related to controversial weapons; (b) better health and well-being by excluding investment in companies involved in the cultivation and/or production of tobacco; and (c) support for human rights, labour standards, the environment and anti-corruption by excluding investment in in companies deemed to have failed to comply with the 10 UN Global Compact (UNGC) Principles or the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

In order to achieve the outcomes as outlined above, we rely on data used by the index provider.

The Benchmark Index may hold Green, Social and Sustainability (GSS) bonds issued by a company. In accordance with regulatory guidance, such investments in GSS bonds (if held by the Benchmark Index) will, instead of being subject to all the EU Paris-aligned Benchmark Exclusions at issuer level, be subject to:

- the EU Paris-aligned Benchmark Exclusions relating to UNGC and OECD violations (as described in (c) above) at the issuer level; and
- the other EU Paris-aligned Benchmark Exclusions described above at the level of the economic activities financed by the GSS bond.

The Fund may gain indirect exposure for non-investment purposes (through, including but not limited to, derivatives and shares or units of Collective Investment Schemes (“CIS”)) to issuers with exposures that are inconsistent with the EU Paris-aligned Benchmark Exclusions described above. Circumstances in which such indirect exposure may arise include, but are not limited to, where a counterparty to a FDI in which the Fund invests posts collateral which is inconsistent with the Benchmark Index’s ESG criteria or where a CIS in which the Fund invests does not apply any or the same ESG criteria as the Benchmark Index and so provides exposure to securities which are inconsistent with the Benchmark Index’s ESG criteria.

For more information on where details of the methodology of the Benchmark Index can be found please see *Where can the methodology used for the calculation of the designated index be found?* (below).

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:

1. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
2. The exclusion of issuers identified as being involved in ESG related controversies as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
3. The exclusion of sovereign issuers subject to UNSC Trade Sanctions (see *What environmental and/or social characteristics are promoted by this financial product?*).
4. The exclusion of issuers with a weighted-average industry-adjusted MSCI ESG rating below the minimum threshold as described above (see *What environmental and/or social characteristics are promoted by this financial product?*).
5. The Fund’s investments qualifying as sustainable investments as described below (see *What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?*).
6. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see *Does this financial product consider principal adverse impacts on sustainability factors?*).

The ESG selection criteria of the Benchmark Index is applied by the index provider at each index rebalance and the Benchmark Index seeks to achieve its stated targets. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index. Where the Fund’s portfolio ceases to meet any of these characteristics in between index rebalances, the Fund’s portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

The Fund's investments qualifying as sustainable investments may be in:

- 1) fixed income securities which have been classified as "green bonds";
- 2) issuers involved in activities deemed to contribute to positive environmental and/or social impacts; or
- 3) issuers which have committed to one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The index provider may allocate a proportion of the Benchmark Index to securities classified as green bonds under the index methodology. The Benchmark Index defines green bonds as fixed income securities the proceeds of which are exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes. In accordance with the Benchmark Index methodology, securities (whether or not labelled as green by the issuer) are independently evaluated under the following four criteria to determine whether they should be classified as green bonds: (i) stated use of proceeds; (ii) process for green project evaluation and selection; (iii) process for management of proceeds; and (iv) commitment to ongoing reporting of the environmental performance of the use of proceeds. To be considered a green bond for the purpose of the index methodology, all four criteria must be met for bonds issued after the publication of the Green Bond Principles (an agreement among market participants on a set of standards for the green credentials of labelled issuance), although bonds issued prior to that date that do not satisfy all four criteria may still qualify for inclusion in the Benchmark Index.

The index provider may also allocate a proportion of the Benchmark Index to issuers that either: (1) derive a minimum percentage of their revenue from products or services with positive impacts on the environment and/or society, or (2) have one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi).

The Benchmark Index uses the MSCI ESG Sustainable Impact Metrics which aim to measure revenue exposure to positive sustainable impacts in line with the United Nations' Sustainable Development Goals, the European Union Taxonomy and other sustainability-related frameworks. The MSCI ESG Sustainable Impact Metrics consider positive environmental impacts in relation to themes such as climate change and natural capital and seek to identify those issuers that may derive revenues from activities (or related activities) such as alternative energy, energy efficiency and green building, sustainable water, pollution prevention and control and sustainable agriculture. The MSCI ESG Sustainable Impact Metrics also consider positive societal impacts in relation to themes such as basic needs and empowerment and seek to identify those issuers that may derive revenues from activities (or related activities) such as nutrition, major disease treatments, sanitation, affordable real estate, small and medium enterprises (SMEs), education and connectivity.

The environmental and social themes together with the revenue alignment thresholds are determined by the index provider and are applied at each index rebalance of the Benchmark Index.

The Benchmark Index also seeks to identify constituents with a commitment to one or more active carbon emissions reduction target(s) approved by the SBTi. The SBTi seeks to provide a clearly defined pathway for issuers and financial institutions to reduce greenhouse gas (GHG) emissions to align with the goals of the Paris Agreement and help prevent the worst impacts of climate change.

The sustainable investments within the Fund may contribute to either an environmental objective or a social objective or a combination of the two. The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's

	<p>investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.</p>
<p>Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.</p>	<p>● <i>How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?</i></p> <p>At each index rebalance, all investments qualifying as sustainable investments are screened by the index provider against certain minimum environmental and social indicators. As part of the screening criteria applied by the index provider, issuers are assessed on their involvement in activities deemed to have highly negative environmental and social impacts. Where an issuer has been identified by the index provider as being involved in activities with highly negative environmental and social impacts, it shall not be eligible as a sustainable investment.</p> <p>For bonds qualifying as green bonds, the assessment is carried out by the index provider at an issuance level based on the use of the proceeds of the bonds which must be formally and exclusively applied to promote climate or other environmental sustainability purposes. In addition, certain minimum safeguards and eligibility exclusions are applied by the index provider in the selection of green bonds to avoid exposure to bonds associated with activities deemed to have highly negative environmental and societal impacts.</p>
	<p><i>How have the indicators for adverse impacts on sustainability factors been taken into account?</i></p>
	<p>The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the screening criteria applied by the index provider in the selection of index constituents qualifying as sustainable investments.</p> <p>As a result of the screening criteria applied by the index provider, the following investments within the Benchmark Index shall not qualify as sustainable investments: (1) issuers deriving a minimum % revenue from thermal coal (as determined by the index provider) which is significantly carbon intensive and a major contributor to greenhouse gas emissions (taking into account indicators relating to GHG emissions), (2) issuers with an 'orange' MSCI ESG controversy score of 1 or below that have been deemed to be involved in severe or very severe ESG related controversies (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste and social and employee matters), and (3) issuers with an MSCI ESG rating of B or below, which are deemed to be lagging industry peers based on their high exposure and failure to manage significant ESG risks (including in relation to indicators concerning greenhouse gas emissions, biodiversity, water, waste, unadjusted gender pay gap and board gender diversity).</p> <p>In respect of green bonds, the indicators for adverse impacts on sustainability factors are taken into account at each index rebalance and are assessed by the index provider at the issuance level based on an assessment of the use of proceeds of the bonds which must be formally and exclusively applied to promote climate or other environmental sustainability purposes. In addition, minimum safeguards and eligibility exclusions are applied by the index provider in the selection of green bonds to ensure the proceeds of which are not applied to activities with highly negative environmental and social outcomes. This includes through the minimum safeguards and eligibility exclusions of bonds with the use of proceeds linked to thermal coal extraction and power generation, significant biodiversity loss and controversial weapons.</p> <p>The Benchmark Index also excludes: (1) issuers with a 'red' MSCI ESG controversy flag which includes issuers determined to be in violation of international and/or national standards (taking into account indicators concerning violations of United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises), and (2) issuers determined to have any tie to</p>

controversial weapons (taking into account indicators concerning ties to controversial weapons).

In addition the Benchmark index excludes sovereign issuers subject to United Nations Security Council (UNSC) trade sanctions.

--- How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The Fund's Benchmark Index excludes issuers with a 'red' ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises.

The Benchmark Index applies the above exclusionary criteria at each index rebalance.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?



Yes

No

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as 'X' in the table below are considered as part of the selection criteria of the Benchmark Index at each index rebalance.

The Fund's annual report will include information on the principal adverse impacts on sustainability factors set out below.

	PAI Description	Benchmark Index Selection Criteria			
		Exclusion of issuers based on certain environmental screens (listed above)	Exclusion of issuers based on an MSCI ESG controversy score	Exclusion of issuers determined to have any tie to controversial weapons	Exclusion of issuers based on UN Sanctions screens
Greenhouse Gas (GHG) emissions	1.(a) GHG emissions (Scope 1/2)	X			
	1.(b) GHG emissions (Scope 3)	X			
	2. Carbon footprint	X			
	3. GHG intensity	X			
	4. % in Fossil Fuels	X			
	5. Non-Renewable / Renewable %	X			
Biodiversity	6. High impact sector energy consumption				
	7. Negative impact to Biodiversity sensitive areas		X		
Water	8. Emissions to Water		X		

Waste	9. Hazardous Waste		X		
Social and employee matters	10. UNGC + OECD Violations		X		
	11. UNGC + OECD Process, Monitoring				
	12. Unadjusted gender pay gap				
	13. Board gender diversity				
	14. Controversial weapons			X	
Indicators applicable to investments in sovereigns and supranationals	15. GHG intensity of investee countries				
	16. Investee countries subject to social violations				X



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance

The investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index which incorporates certain ESG criteria including the EU Paris-aligned Benchmark Exclusions applied in the selection of constituents. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product?).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Fund does so, its investment strategy is to invest only in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Fund may hold such securities only until the next portfolio rebalance and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.


The strategy is implemented at each portfolio rebalance of the Fund, which follows the index rebalance of its Benchmark Index.

Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

● **What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?**

The binding elements of the investment strategy are that the Fund will invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby comply with the ESG characteristics including the EU Paris-aligned Benchmark Exclusions applied by its Benchmark Index.

	<p>As the Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest in issuers in the Benchmark Index or in issuers that meet the ESG requirements of the Benchmark Index at the time of purchase.</p> <p>In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.</p>
	<p>● What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?</p>
	<p>There is no committed minimum rate to reduce the scope of the Fund's investments.</p> <p>The Fund's Benchmark Index seeks to reduce the number of constituents from the starting universe through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.</p> <p>The rate of reduction may vary over time depending on the issuers that make up the starting universe. For example, if issuers in the starting universe engage in fewer activities that are excluded from the starting universe based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.</p>
<p>Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.</p>	<p>● What is the policy to assess good governance practices of the investee companies?</p> <p>Good governance checks are incorporated within the methodology of the Benchmark Index.</p> <p>The index provider excludes issuers from the Benchmark Index based on an ESG controversy score (which measures an issuer's involvement in ESG related controversies) which includes the exclusion of issuers that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product?).</p> <p>Issuers that cannot be assessed by the index provider for an ESG controversy score where data is not available are also excluded from the Benchmark Index</p>
	<p>What is the asset allocation planned for this financial product?</p>
<p>Asset allocation describes the share of investments in specific assets.</p> <p>Taxonomy-aligned activities are expressed as a share of:</p> <ul style="list-style-type: none"> – turnover reflecting the share of revenue from green activities 	<p>The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.</p> <p>It is expected that at least 80% of the Fund's assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance, the portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (this includes 10% of the Fund's assets that are qualified as sustainable investments) (as determined at that rebalance).</p>

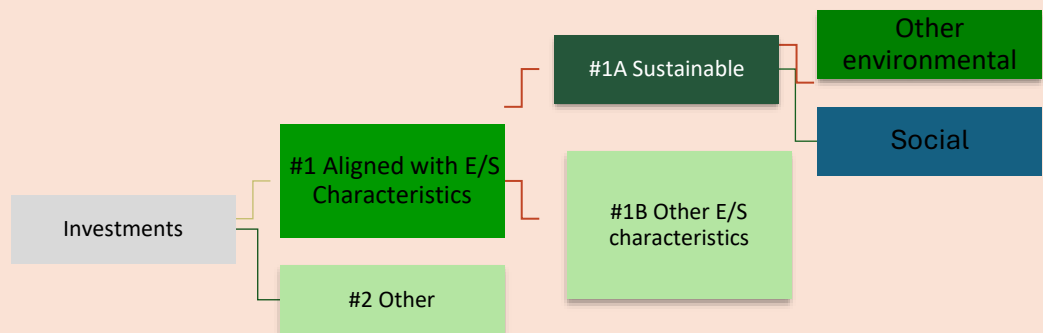
of investee companies

- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or otherwise cease to meet the ESG selection criteria of the Benchmark Index) and it is possible and practicable (in the Investment Manager’s view) to liquidate the position.

The assessment of the Fund’s investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund’s portfolio is rebalanced in line with its Benchmark Index. Where any investment ceases to qualify as a sustainable investment between index rebalances, the Fund’s holdings in sustainable investments may fall below the minimum proportion of sustainable investments.

The Fund may invest up to 20% of its total assets in other investments ('#2 Other').



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.

To comply with the EU Taxonomy, the criteria for fossil gas include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For nuclear energy, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

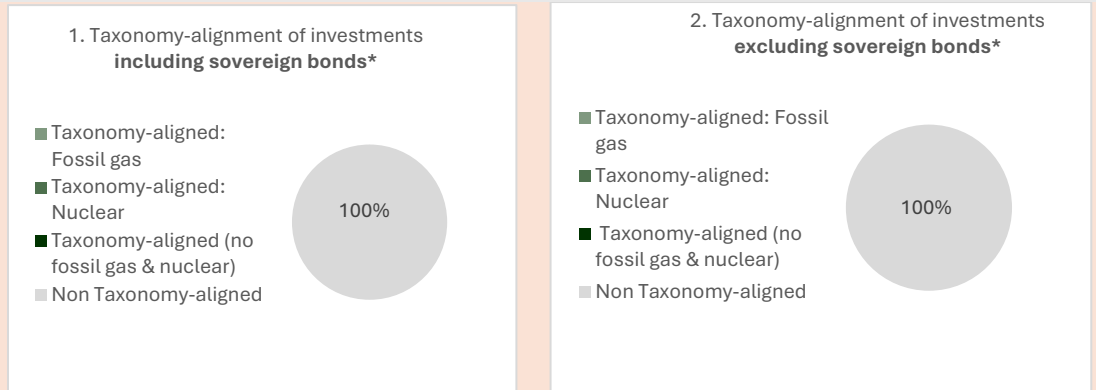
The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy⁵?**

- Yes:
 - In fossil gas In nuclear energy
- No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.



* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What is the minimum share of investments in transitional and enabling activities?**

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the EU Taxonomy.






are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

A minimum of 10% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined

⁵ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

activities under the EU Taxonomy.	on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.
	 What is the minimum share of socially sustainable investments?
	<p>A minimum of 10% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with either an environmental objective that is not committed to align with the EU Taxonomy or a social objective (or a combination of the two). The combination of sustainable investments with an environmental or social objective may change over time depending on the activities of the issuers within the Benchmark Index. The assessment of the Fund's investments qualifying as sustainable investments is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.</p>
	 What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?
	<p>Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.</p> <p>Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.</p>
	Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?
<p>Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.</p>	<p>Yes, the Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the Bloomberg MSCI Global Aggregate Sustainable and Green Bond ESG SRI Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.</p>
	<ul style="list-style-type: none"> ● How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?
	<p>At each index rebalance, the index provider applies the ESG selection criteria to exclude issuers that do not meet such ESG selection criteria.</p>
	<ul style="list-style-type: none"> ● How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?
	<p>At each index rebalance (or as soon as reasonably possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.</p>
	<ul style="list-style-type: none"> ● How does the designated index differ from a relevant broad market index?
	<p>As a result of the application of the ESG selection criteria of the Benchmark Index, the portfolio of the Fund is expected to be reduced compared to the Bloomberg Global-Aggregate Total Return Index, a broad market index comprised of fixed income securities.</p>
	<ul style="list-style-type: none"> ● Where can the methodology used for the calculation of the designated index be found?
	<p>The methodology of the Fund's Benchmark Index can be found on the index provider's website at: https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices/#/ucits.</p> <p>Further details of the Fund's Benchmark Index (including its constituents) are also available on the index provider's website at: https://www.bloombergindices.com/bloomberg-indices/.</p>



Where can I find more product specific information online?

More product-specific information can be found on the website:

For further details specific to this Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: www.iShares.com.