January 2021

BlackRock

A Movement for Sustainable Solutions

Teresa O'Flynn, *Head of Sustainable Investing for BlackRock Alternatives Investors* (BAI)

Sarah Lee Kjellberg, *Head of U.S. iShares Sustainable ETFs, BlackRock*

Lisa Longino, *Head of Portfolio Strategy Group, Prudential (moderator)*

ESG's arrival into the mainstream is unambiguous

1. Resilience during global pandemic

2. Clients increasingly looking to allocate to sustainable strategies

3. Climate change awareness is shaping the industry

4. The rise of the S in ESG

5. Regulation driving adoption

“Our investment conviction is that sustainability- and climate-integrated portfolios can provide better risk-adjusted returns to investors. We believe that sustainable investing is the strongest foundation for client portfolios going forward.”

Larry Fink
January 2020

Public commitment: putting sustainability at the center of how we invest

Ensuring resilient portfolios

We are committed to fully integrating ESG into investment processes and reducing ESG risk in active strategies to improve our client’s risk-adjusted returns. In addition, BlackRock has adopted a firm-wide restriction from making new investments in companies that generate more than 25% of their revenues from thermal coal production.

Providing clients with transparency

We aim to provide our clients with full transparency on material sustainability risks, the impact of those risks and how they are being managed. Leveraging BlackRock’s access to data and analytics, we launched Aladdin Climate to meet the need among financial institutions and investors to qualify climate risk in their portfolios.

Increasing access to sustainable Investing

We are committed to expanding our range of funds focused on sustainability as an outcome, including the global energy transition. By 2030, BlackRock has set itself the target of increasing sustainable product AUM from US$90bn today to US$1 trillion.

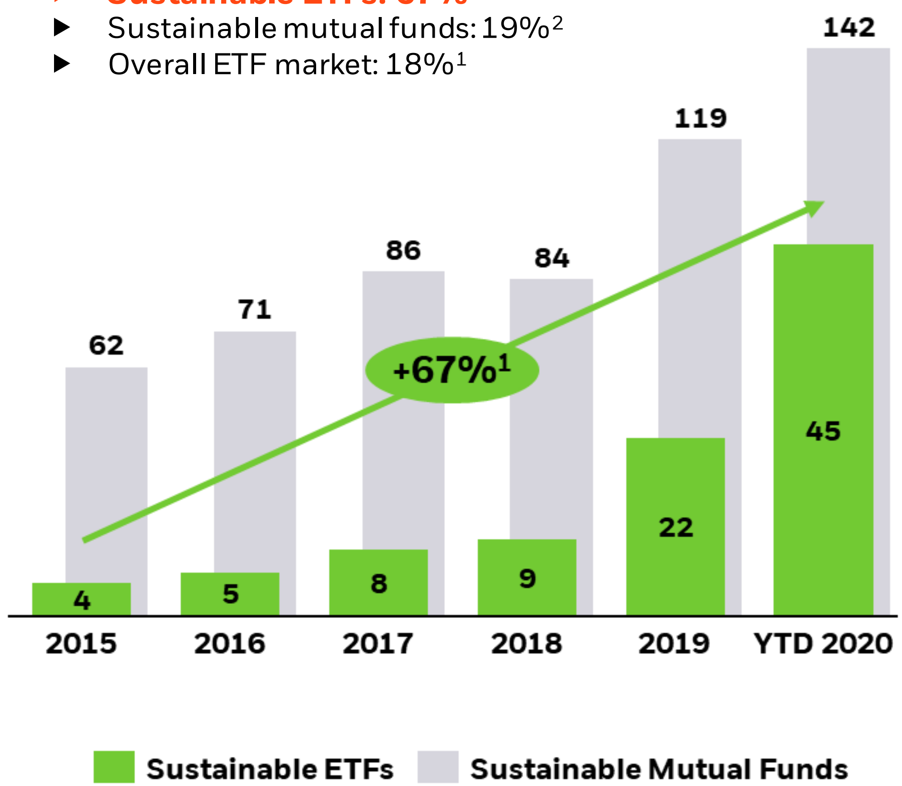
Source: BlackRock, December 2020.

Since 2015, sustainable ETFs achieved higher AUM growth vs ETFs overall and sustainable mutual funds

Annualized growth of U.S. Sustainable ETF and Mutual Fund AUM ($bn)

ASSET GROWTH

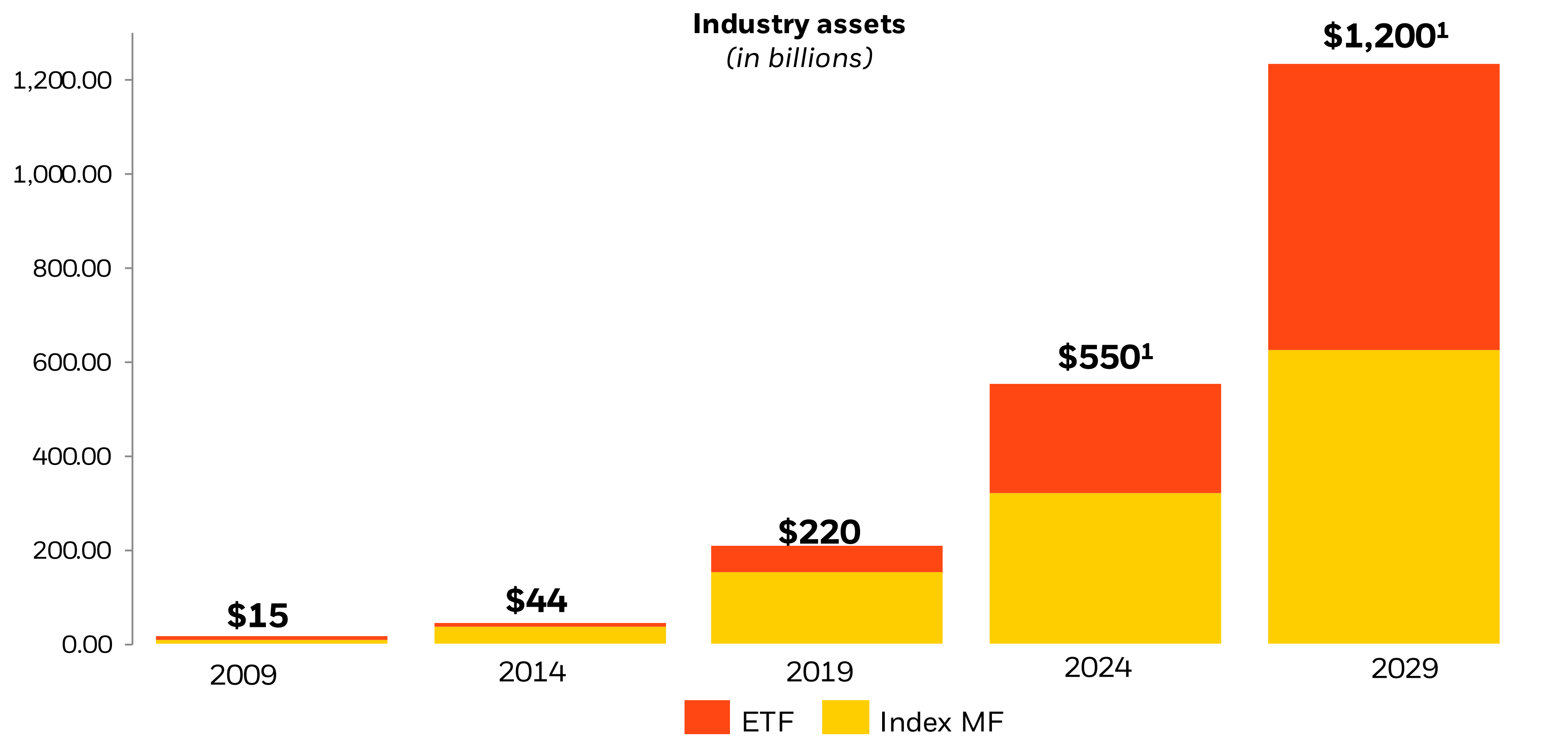
- **Sustainable ETFs: 67%[1]**
- Sustainable mutual funds: 19%[2]
- Overall ETF market: 18%[1]



[1] Source: Blackrock, as of 9/30/2020. [2] Source: Morningstar as of 9/30/2020. Based on 243 sustainable open-end funds as defined by Morningstar to have a sustainability focus. This includes funds classified as ESG integration, impact, and sector funds. Compound Annual Growth Rate: a measure of an investment's annual growth rate over time, with the effect of compounding taken into account.

BlackRock believes global sustainable ETFs and index mutual fund assets will grow to $1.2 trillion by 2029

Global sustainable index assets are growing exponentially



[1]Projected growth. BlackRock projection, April 2020, based on Morningstar data, as of March 2020. Subject to change. The figures are for illustrative purposes only and there is no guarantee the projections will come to pass.

Four forces driving sustainable indexing

1

Recognition that sustainability influences **risk & return**

2

Better data leading to **better indexes**

4
FORCES

3

Access to ESG at a **fraction of the cost** through indexation

4

Sustainable **choices** for **every portfolio**

Source: BlackRock, MSCI as of August 2019 - *An Evolution in ESG Indexing*. https://www.ishares.com/us/literature/whitepaper/an-evolution-in-esg-indexing.pdf.

ESG integration in private markets

Real Assets investment process case study

Sourcing and screening
- ESG "deal breakers" identified
- Desktop reviews of ESG issues

Due diligence
- Proprietary ESG questionnaires completed for all new investments

Investment Committee approval
- ESG issues discussed at Investment Committee
- If we cannot get comfortable risks, we will not invest

Asset ownership
- Identify and implement appropriate sustainability initiatives (including energy, water and waste)

Measurement and monitoring
- Collate, analyse, report asset-level energy, GHG and water metrics.
- GRESB reporting

Material ESG considerations factored into our Real Assets investment processes:

Environmental	Social	Governance
Local Environment	Labor Management	Governance Structure
Pollution Risks	Health and Safety	Business Integrity
Climate Risk and Resilience	Local Communities	Regulation and Compliance
Energy Use and Supply	Occupiers and Users	Corporate Governance
Water Use and Supply	Social Resilience	
Waste Management	Infrastructure Integration	
Local Biodiversity		

Source: BlackRock as of December 2020.

ESG integration in private markets
Case studies

Fully informed of ESG risks associated with all new investments.

Case study: Assessment of the environmental risks associated with a printing company

Manage risks over the lifecycle of our investments.

Case study: Improving governance and identifying ESG initiatives at a rail transportation company

Capturing opportunities related to sustainability themes.

Case study: Securing a ‘green’ loan as part of a student accommodation development

Source: BlackRock, March 2020. Case studies are for illustrative purposes only; they are not meant as a guarantee of any future results or experience, and should not be interpreted as advice or a recommendation. The above investments were selected to illustrate the ESG integration activities undertaken by investment teams – they are the most recent examples of the ESG integration approaches outlined. The information above is not a prediction of future performance or any assurance that comparable investment opportunities will be available at the time of investment. It is non-representative of all underlying investments made by the Investment Team and it should not be assumed that Investment Team will invest in comparable investments, or that any future Investments made by Investment Team will be successful. To the extent that these investments prove to be profitable, it should not be assumed that the Investment Team’s other investments will be profitable or will be as profitable.

Thank you!

For additional information on **BlackRock**, please visit **www.blackrock.com/institutions.**

Appendix

Speaker profiles

Lisa Longino is Managing Director and Head of Portfolio Strategy in the Chief Investment Office of Prudential Financial. In this role, Lisa is responsible for developing the overall investment strategies for the General Account, management of internal and external asset managers and the CIO's portfolio governance activities.

Prior to joining Prudential, Lisa held several senior leadership positions within MetLife. Most recently, as SVP/Senior Managing Director and Head of Insurance Asset Management where Lisa was responsible for all aspects of portfolio management for both internal and external insurance clients. This includes multi-strategy portfolios, public credit portfolios, market strategy and portfolio advisory services. Lisa was also the Head of U.S. Portfolio Management and was responsible for the portfolio strategy and asset management of the U.S. dollar portfolios for MetLife. Preceding that role, she was Head of U.S. Asset Management, overseeing the asset allocation and strategy execution of the U.S. portfolios and served as Head of Investment Grade Trading where she was responsible for the risk management and trading of MetLife's Investment Grade Portfolio. While in that position, Lisa created and managed MetLife's first internal hedge fund. The fund was based on a long-short credit strategy that generated returns by holding long positions in under-valued corporate bonds and short positions in over-valued corporate bonds. Prior to that, she was the senior trader on the High Grade Public Corporate desk in the Investments Department's Core Securities unit. In that role, she traded and managed the risk positions in the corporate bond portfolio, including holdings in the financial, telecom, utilities and investment grade emerging-market sectors.

Lisa joined MetLife in 1997, bringing with her an in-depth knowledge of the bond market, trading and portfolio management from the 8 years she spent as a portfolio manager. During this time, she traded a variety of asset classes, including corporates, high yield, emerging markets, municipals, mortgage-backed and asset-backed securities, for Providian Financial (Aegon), Independent Life (AIG) and BancBoston. Lisa has also worked as a credit analyst and managed an insurance investment accounting department.
Lisa received her undergraduate degree in Corporate Finance and holds an MBA from the University of North Florida. She is a CFA charter holder.

Teresa O'Flynn, Managing Director, is Global Head of Sustainable Investing for BlackRock Alternatives Investors (BAI). BAI currently manages over $175 billion in total assets and client commitments. Ms. O'Flynn is responsible for instilling BlackRock's firm-wide sustainable investing strategy across our Real Estate, Infrastructure, Hedge Funds, Private Equity and Credit businesses. This includes overseeing all aspects of integrating sustainability considerations and risk factors across the platform's investment and asset management processes, developing BAI-wide ESG reporting and contributing to BAI business and product strategy.

Prior to assuming her current responsibilities in 2019, Ms. O'Flynn was Global Head of Sustainable Investing for BlackRock Real Assets and a senior Portfolio Manager with Global Renewable Power, having joined the firm in 2011 to establish BlackRock's renewables business. She also serves on the board of BlackRock's Irish domiciled ETF, cash and real assets fund companies.

Ms. O'Flynn has over 16 years of international investment experience having worked as a Senior Corporate Finance Executive at NTR Plc, a private infrastructure developer, operator and business owner. Ms. O'Flynn trained as a Chartered Accountant (FCA) and tax advisor (AITI) with Arthur Andersen and KPMG. She earned a BComm with first class honours and distinction, from University College Galway, Ireland.

Sarah Lee Kjellberg is a Director at Blackrock and Head of U.S. iShares Sustainable ETFs. Sarah leads the overall strategy across product, marketing, thought leadership and distribution.

In her prior experience at Blackrock, Sarah served as an Investment Management Consultant, working with CIOs, Portfolio Managers and Financial Advisors within the Bank Wealth Management and Wirehouse channels.

Prior to joining Blackrock in 2007, she worked for Credit Suisse as an Assistant Vice President in Institutional Equity Sales where she helped market investment research and capital market products. She began her career at Credit Suisse, providing sales and trading support within the Institutional Fixed Income Sales group. She graduated Cum Laude in Business Administration from the University of San Francisco. She holds the Series 7 and 63 licenses and CIMA designation from IMCA and the Wharton School of Business.

Important Information

This material is for distribution to Professional Clients (as defined by the Financial Conduct Authority or MiFID Rules) only and should not be relied upon by any other persons.

Until 31 December 2020, issued by BlackRock Investment Management (UK) Limited, authorised and regulated by the Financial Conduct Authority. Registered office: 12 Throgmorton Avenue, London, EC2N 2DL. Tel: + 44 (0)20 7743 3000. Registered in England and Wales No. 02020394. For your protection telephone calls are usually recorded. Please refer to the Financial Conduct Authority website for a list of authorised activities conducted by BlackRock.
From 1 January 2021, in the event the United Kingdom and the European Union do not enter into an arrangement which permits United Kingdom firms to offer and provide financial services into the European Economic Area, the issuer of this material is:
(i) BlackRock Investment Management (UK) Limited for all outside of the European Economic Area; and
(ii) BlackRock (Netherlands) B.V. for in the European Economic Area,
BlackRock (Netherlands) B.V. is authorised and regulated by the Netherlands Authority for the Financial Markets. Registered office Amstelplein 1, 1096 HA, Amsterdam, Tel: 020 – 549 5200, Tel: 31-20-549-5200. Trade Register No. 17068311 For your protection telephone calls are usually recorded.

Any research in this document has been procured and may have been acted on by BlackRock for its own purpose. The results of such research are being made available only incidentally. The views expressed do not constitute investment or any other advice and are subject to change. They do not necessarily reflect the views of any company in the BlackRock Group or any part thereof and no assurances are made as to their accuracy.
This document is for information purposes only and does not constitute an offer or invitation to anyone to invest in any BlackRock funds and has not been prepared in connection with any such offer.

Important information regarding iShares ETFs

Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and its return and yield will fluctuate with market conditions.

There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to federal or state income taxes or the Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable. Securities with floating or variable interest rates may decline in value if their coupon rates do not keep pace with comparable market interest rates. A fund’s income may decline when interest rates fall if most of the debt instruments held by the fund have floating or variable rates. There is no guarantee that dividends will be paid.

International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets, in concentrations of single countries or smaller capital markets. Narrowly focused investments, including REIT, mining, preferred stock, factor and floating rate note funds may be subject to higher volatility and risks specific to those sectors.

A fund's environmental, social and governance (“ESG”) investment strategy limits the types and number of investment opportunities available to the fund and, as a result, the fund may underperform other funds that do not have an ESG focus. A fund's ESG investment strategy may result in the fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards.

There can be no assurance that performance will be enhanced or risk will be reduced for funds that seek to provide exposure to certain quantitative investment characteristics ("factors"). Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. In such circumstances, a fund may seek to maintain exposure to the targeted investment factors and not adjust to target different factors, which could result in losses. The iShares Minimum Volatility Funds may experience more than minimum volatility as there is no guarantee that the underlying index's strategy of seeking to lower volatility will be successful.

Important information regarding iShares ETFs

Actively managed funds do not seek to replicate the performance of a specified index and may have higher portfolio turnover than index funds. Investment in a fund of funds is subject to the risks and expenses of the underlying funds.

A fund's use of derivatives may reduce a fund's returns and/or increase volatility and subject the fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that any fund's hedging transactions will be effective.

When comparing stocks or bonds and ETFs, it should be remembered that management fees associated with fund investments are not borne by investors in individual stocks or bonds. The annual management fees of ETFs may be substantially less than those of most mutual funds. Buying and selling shares of ETFs may result in brokerage commissions. Diversification may not protect against market risk or loss of principal.

Shares of ETFs may be bought and sold throughout the day on the exchange through any brokerage account. Shares are not individually redeemable from the ETF, however, shares may be redeemed directly from an ETF by Authorized Participants, in very large creation/redemption units. There can be no assurance that an active trading market for shares of an ETF will develop or be maintained.

Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

This information should not be relied upon as research, investment advice, or a recommendation regarding any products, strategies, or any security in particular. This material is strictly for illustrative, educational, or informational purposes and is subject to change. There is no guarantee that any strategies discussed will be effective.

Prepared by BlackRock Investments, LLC, member FINRA.

The Investment Company Act of 1940 restricts the ability of foreign investment companies to invest in registered investment companies in excess of certain limits.

iShares ETFs are not sponsored, endorsed, issued, sold or promoted by Barclays, Bloomberg Finance L.P., BlackRock Index Services, LLC, Cohen & Steers Capital Management, Inc., European Public Real Estate Association ("EPRA®"), FTSE International Limited ("FTSE"), India Index Services & Products Limited, Interactive Data, JPMorgan Chase & Co., Japan Exchange Group, MSCI Inc., Markit Indices Limited, Morningstar, Inc., The NASDAQ OMX Group, Inc., National Association of Real Estate Investment Trusts ("NAREIT"), New York Stock Exchange, Inc., Russell or S&P Dow Jones Indices LLC. None of these companies make any representation regarding the advisability of investing in the Funds. With the exception of BlackRock Index Services, LLC, who is an affiliate, BlackRock Investments, LLC is not affiliated with the companies listed above. "FTSE®" is a trademark of London Stock Exchange Group companies and is used by FTSE under license.