



**BlackRock**

May 2024

# ESG Model Portfolios

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**BlackRock**

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# Why BlackRock

FOR WHOLESALE CLIENTS ONLY – NOT FOR DISTRIBUTION TO RETAIL CLIENTS

NM0524U-3583849-3/49  
MASSM0524A/S-3577772-3/49

# Your trusted partner for model portfolios

## Institutional capabilities for individual investors

Managed with  
an institutional  
quality approach.

**Local Expertise,  
Global  
Resources**

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**32**

Years of experience  
managing multi-asset  
portfolios in Australia

## Quality, value and choice

We provide  
investment solutions  
for every need.

**Active  
Index  
ESG**

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**10**

Model families  
locally spanning a  
range of risk profiles

## An industry leader in risk management

We help investors  
build resilient  
portfolios.

**3,000+**  
Risk factors monitored daily<sup>1</sup>  
by the Aladdin® platform.

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**5,000**

Portfolio stress  
tests conducted  
every week

\*All data as of 30 April 2024. 1 Source: BlackRock Solutions. While proprietary technology platforms may help manage risk, risk cannot be eliminated.

# Proven track record managing multi-asset portfolios in Australia

- Seasoned investment team of portfolio managers and strategists averaging 12 years of experience
- A\$63 Bn in assets under management\*
- Tailored portfolio construction for Australian investors drawing upon BlackRock’s global expertise
- Diverse multi-asset product suite providing outcome-oriented solutions for clients

## Our clients entrust us to manage A\$63Bn of assets

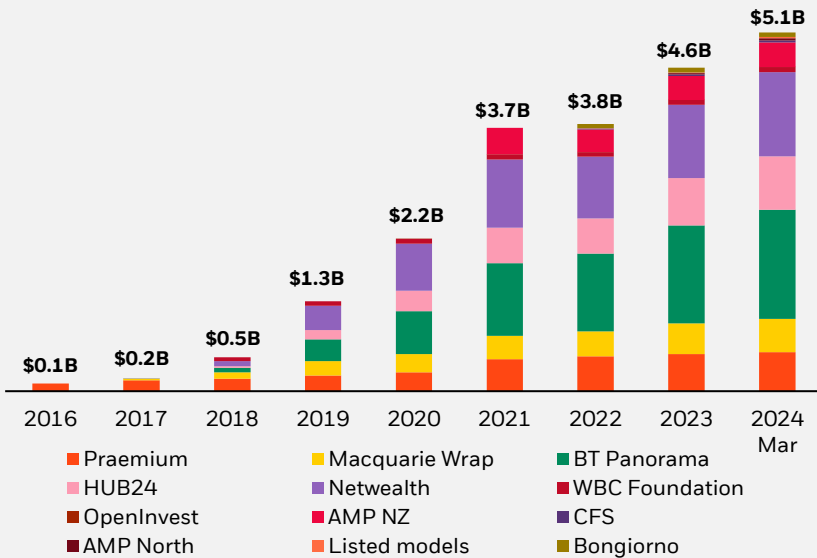
Diversified	Absolute Return	Income & Retirement	Sustainable Investing	Custom Solutions	Core Portfolio Management
<b>A\$4.0B</b>	<b>A\$1.1B</b>	<b>A\$0.1B</b>	<b>A\$0.6B</b>	<b>A\$45.8B</b>	<b>A\$11.6B</b>
<ul style="list-style-type: none"> <li>• Enhanced Strategic Models</li> <li>• International Equity Model</li> <li>• Tactical Growth Fund</li> <li>• Multi Index Diversified Funds</li> </ul>	<ul style="list-style-type: none"> <li>• Multi Opportunity Fund</li> <li>• Multi Opportunity Absolute Return Fund</li> <li>• Global Liquid Alternative Fund</li> <li>• Custom Fund of Hedge Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Global Multi Asset Income</li> <li>• Income Managed Accounts</li> </ul>	<ul style="list-style-type: none"> <li>• ESG Model Portfolios</li> <li>• Multi-Asset ETFs</li> <li>• Diversified ESG Growth Fund</li> <li>• Diversified ESG Stable Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Asset Allocation</li> <li>• Tactical Asset Allocation</li> <li>• Manager Selection</li> <li>• Custom Mandates</li> <li>• Custom Models</li> </ul>	<ul style="list-style-type: none"> <li>• Currency Hedging</li> <li>• Capital Allocation</li> </ul>

Source: BlackRock as at 31 December 2023. All figures in AUD. Risk management cannot fully eliminate the risk of investment loss.

# Multi-year experience managing models globally

**\$5.1B**

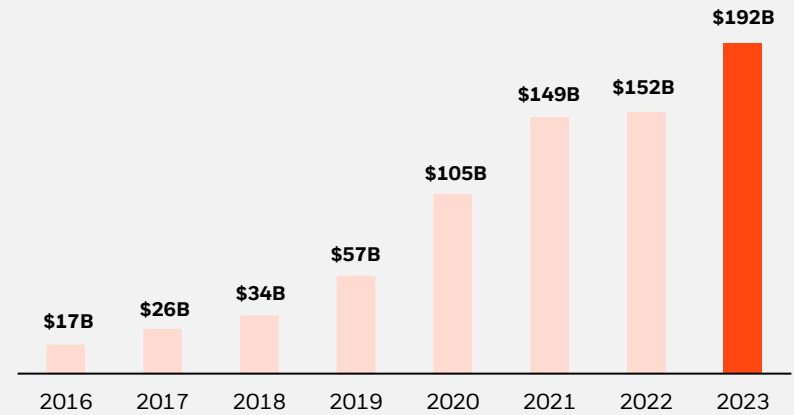
in model portfolio assets entrusted to BlackRock Australia locally



Source: BlackRock, as of 31 March 2024. Subject to change. Figures are in Australian dollar terms.

**\$192B**

in model portfolio assets entrusted to BlackRock globally



Source: BlackRock, as of 31 December 2023. Subject to change. Figures are in Australian dollar terms.

# Seasoned, well-integrated investment team with strong long-term track record



**Mike McCorry, PhD**  
CIO BlackRock  
Australia

**32 years**  
Experience managing multi-asset portfolios in Australia

**9 years**  
Track record managing model portfolios in Australia

**30+ members**  
Model portfolio managers & researchers globally

**35+ families**  
Model families managed globally across risk profiles

## Lead Portfolio Managers



**Karsten Kumpf, PhD**  
Head of Portfolio Management Multi Asset (Australia)



**Ilyas Chabane**  
Head of Model Portfolio Solutions APAC (Hong Kong)



**Ron Montgomery, FRM**  
Lead model manager (Australia)




**Tatiana Bernard, CFA**  
Lead model manager (Australia)


## Investment Strategists




**Katie Petering**  
Head of Strategy (Australia)



**Uwe Helmes, CFA**  
Lead Models Strategist (Australia)



**Beatrice Yeo, CFA**  
Product Strategy (Australia)



**Upasana Khara**  
Product Strategy (India)

## Portfolio Managers



**George Zhu, CFA**  
Portfolio Manager (Australia)



**Sasha Akoulov, CFA**  
Portfolio Manager (Australia)




**Tobias Morrison**  
Portfolio Manager (Australia)



**Vera Wang, CFA, CAIA**  
Portfolio Manager (Australia)



**Alexander Sharp, CFA**  
Portfolio Manager (Australia)



**Robert Lillibridge, CFA**  
Portfolio Manager (Hong Kong)



**Jason Lo**  
Portfolio Manager (Hong Kong)




**Kate Cheng**  
Portfolio Manager (Hong Kong)



**Xueying Zhu**  
Portfolio Manager (Singapore)

## Manager Research



**Minna Seo**  
Manager Research (Australia)

Plus: 20+ offshore model portfolio team members

Plus: ~30 Global Sustainable & Transition Solutions team members

Plus: ~70 Global Investment Stewardship team members

Source: BlackRock as of 30 April 2024. Subject to change.

# Dedicated firm-wide teams with sustainability-related focus

## Board & Management oversight

**BlackRock Board of Directors**  
*Nominating, Governance & Sustainability Risk Committee*

**Global Executive Committee**  
*Investment Subcommittee*

## Teams with sustainability-related areas of focus

### Sustainable & Transition Solutions (STS)

Leads BlackRock's sustainability and transition strategy, drives cross-functional change, supports client and external engagement, powers product ideation, and embeds expertise across the firm.

**30+ professionals**

### BlackRock Investment Institute (BII)

The Sustainable Investment Research and Analytics (SIRA) team researches the financially material implications of the transition to a low-carbon economy on portfolio returns and construction.

**20+ professionals**

### BlackRock Investment Stewardship (BIS)

Engages with companies clients are invested in to create long-term financial value for clients. Votes at shareholder meetings when authorized by clients to do so.

**70+ professionals**

### Corporate Sustainability

Drives efforts to incorporate sustainable practices into business operations, including tracking progress on emissions reductions goals.

**15+ professionals**

## Sustainability incorporated into broader functional responsibilities

**Investment Divisions**

**Global Public Policy Group (GPPG)**

**Global Product Group (GPG)**

**Risk & Quantitative Analysis (RQA)**

**Aladdin®**

**Enterprise Services (ES)**



# Proxy voting with BlackRock Investment Stewardship Team

**BlackRock Investment Stewardship (BIS)** plays a central role in our approach to serving our **clients’ interests**. Sustainability and the transition are two of its current focus areas.

## Engaging with companies

Direct dialogue on the issues that may have a direct impact on our clients’ investment outcomes and financial well-being

## Voting in our clients’ financial interests

Voting to formally communicate our support for, or concern about, how companies are serving the long-term financial interests of our clients

## Providing ‘Voting Choice’

An industry first, ‘Voting Choice’ enables eligible clients to participate in voting decisions where legally and operationally viable

## Contributing to emerging thinking

Reflecting the voice of long-term investors in corporate governance, and stewardship

### Priorities for Engagement with Companies

Board quality and effectiveness



Strategy, purpose and financial resilience



Incentives aligned with financial value creation



Climate and natural capital



Company impacts on people



**Our global team**

**69**  
member team<sup>1</sup>

**49**  
engagement markets<sup>2</sup>

**31**  
academic disciplines

**4,000**  
engagements in 2022

**75%+**  
of the value of our clients’ equity assets engaged<sup>3</sup>










**Leveraging the global expertise of our:**

- Investment analysts
- Specialists
- Researchers
- Active Investors

1. Source: BlackRock, September 2023. 2. From July 1, 2022 to June 30, 2023 sourced on July 11, 2023. These data are preliminary and will increase as we finalise our proxy voting year-end data capture process. 3. Source: BlackRock. Reflects BlackRock exposure, September 2023.

# A range of model portfolio solutions to choose from

Target the allocation that's appropriate for your client

	Enhanced Strategic	ESG	International Equity	Listed Models	GSS Index
<b>Launch date</b>	January 2015	August 2021	September 2022	August 2022	April 2018
<b>Risk profiles</b> (Growth/Defensive)	Conservative (15/85) Moderate (30/70) Balanced (50/50) Growth (70/30) Aggressive (85/15) All-Growth (98/2)	Conservative (15/85) Moderate (30/70) Balanced (50/50) Growth (70/30) Aggressive (90/10)	International Equity (98/2)	Balanced (50/50) High Growth (90/10)	Conservative (30/70) Balanced (50/50) Growth (70/30) High Growth (85/15) Total Growth (98/2)
<b>Investment process</b>					
<b>Indirect Cost Ratio*</b>	0.16%-0.19%	0.09% – 0.17%	0.20%	0.22%	0.29%**
<b>Ratings</b>					-
<b>Platform availability</b>	AMP MyNorth, BT, CFS First Wrap, CFS Edge, HUB24, Macquarie, Netwealth, Mason Stevens, Praemium	BT, HUB24, Praemium, Macquarie, Netwealth	AMP MyNorth	N/A (Listed on the ASX)	Netwealth

\*Indirect Cost Ratio only includes the underlying blended ETF and index fund composite fees, and excludes investment management, platform, administrative and other brokerage costs. Please note that the all-in fees may vary from 0.25%-0.40% depending on the platform used.

\*\*Indirect Cost Ratio for GSS index models may vary from the stated fee given the use of a GSS wrapper.

Source: BlackRock, as of 3<sup>rd</sup> April 2024. Subject to change.

# Versatility to implement BlackRock models



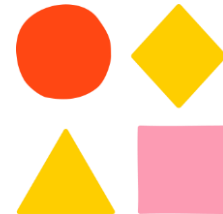
## Standalone

Leverage BlackRock's widely available turn-key model portfolios



## Mix 'N' Match

Blend BlackRock models with other model managers



## Core Satellite

Layer the core BlackRock model portfolio with high conviction ideas

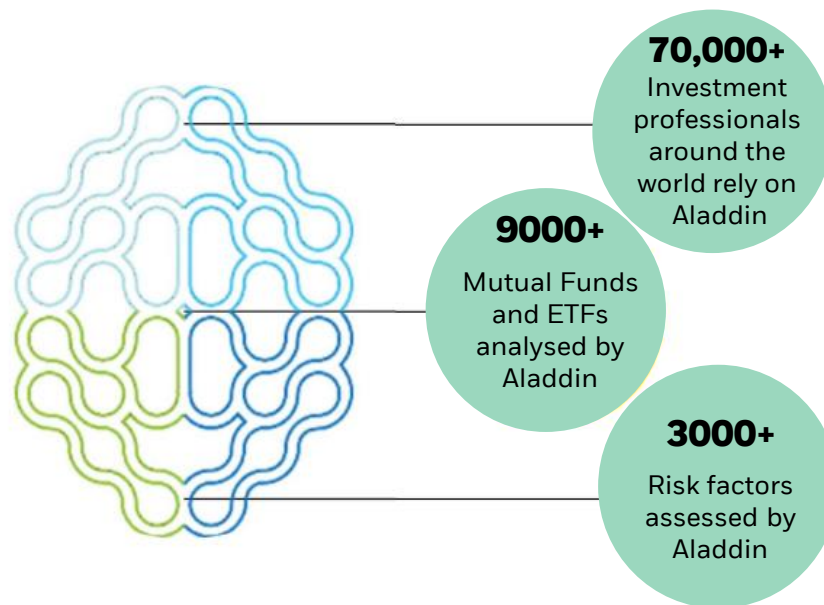
Source: BlackRock. For illustrative purposes only.

# Using cutting-edge technology to help protect your clients' money

## BlackRock's Aladdin® Risk Management System

### About Aladdin

- BlackRock's proprietary risk-management technology
- Powered by 1,500+ engineers, 900+ data scientists and 700+ client services experts.
- An "X-ray" for your portfolio holdings that helps PMs **make better-informed decisions**:
  - Understand real risks avoid unintended bets
  - Model "What-if" scenario



Leveraging data and technology to make more informed risk calculations

Source: BlackRock, as of September 2023. Risk management cannot fully eliminate the risk of investment loss.

# Supporting you and your clients

## Compare

Models by client objectives

## Stay Informed

On holdings and performance

## Gain transparency

On metrics and resources across portfolios

## Brand and Share

Your logo in client reports

MODEL EVALUATOR

Explore available model portfolios

BlackRock

Asset Allocation Approach

Underlying Investment Manager

Model Family	Objective	Underlying Vehicle	Asset Allocation Approach	
Model Family A	Match or outperform benchmark	Managed Funds	Blended	
Model Name	Risk Profile	ESM Yield	1Y Return	Risk
Model A	30/70	2.1%	6.8%	5.9%
Model B	50/50	2.2%	8.9%	7.7%
Model C	70/30	2.3%	10.9%	9.6%
Model D	85/15	2.4%	12.0%	11.0%
Model E	100/0	2.5%	12.8%	12.0%

Latest Holdings (%)

Asset Class	Weight (%)	Value (\$B)	Market Value (\$B)
Equities	65.0	185.0	185.0
Fixed Income	35.0	105.0	105.0

Performance (%)

Year	Return (%)	Benchmark (%)	Volatility (%)	Sharpe Ratio
12 Months	12.0	10.0	18.0	0.70
3 Months	3.0	2.0	15.0	0.80

ESG Metrics

ESG Score

Additional Resources

- ↳ Longsec Research Report
- ↳ Flyer
- ↳ Platform Availability
- ↳ Market Commentary
- ↳ SGM Research Report
- ↳ Essentials Deck
- ↳ Client Brochure

PRACTICE LOGO

ESG Models

Model Portfolio Summary

Practice Group A

Performance Review

Information in relation to BlackRock model portfolios, or the material provided for illustrative purposes, is general advice and does not constitute an offer of financial products. For more information, please contact your investment advisor. The model portfolios are subject to the risks associated with the underlying investments. The model portfolios are not guaranteed to meet the investment objectives. The model portfolios are not suitable for all investors. The model portfolios are not intended to be used as the only basis for investment decisions. The model portfolios are not intended to be used as the only basis for investment decisions. The model portfolios are not intended to be used as the only basis for investment decisions.

BlackRock

Source: BlackRock.. For illustrative purposes only.

# Overview of ESG Models

# Similar, yet different from the Enhanced Strategic models

## Similarities



Same team



Same SAA process







Low fees



Powered by Aladdin

## Differences

	ESG models	Enhanced Strategic models
 <b>ESG focus</b>	<ul style="list-style-type: none"> <li>• Extensive list of screens<sup>1</sup>, e.g. fossil fuels, tobacco, weapons</li> <li>• ESG uplift<sup>2</sup></li> <li>• Better carbon footprint<sup>3</sup></li> </ul>	<ul style="list-style-type: none"> <li>• No explicit ESG objective</li> </ul>
 <b>Building blocks</b>	<ul style="list-style-type: none"> <li>• ETFs &amp; index managed funds</li> <li>• ESG screened/ESG optimised building blocks</li> </ul>	<ul style="list-style-type: none"> <li>• ETFs only</li> </ul>
 <b>Asset classes</b>	<ul style="list-style-type: none"> <li>• All major asset classes, but not as granular</li> </ul>	<ul style="list-style-type: none"> <li>• Full spectrum incl. Small Caps, EM debt, etc.</li> </ul>
 <b>TAA tilts</b>	<ul style="list-style-type: none"> <li>• No TAA</li> </ul>	<ul style="list-style-type: none"> <li>• TAA tilts implemented 4-6 times p.a.</li> </ul>

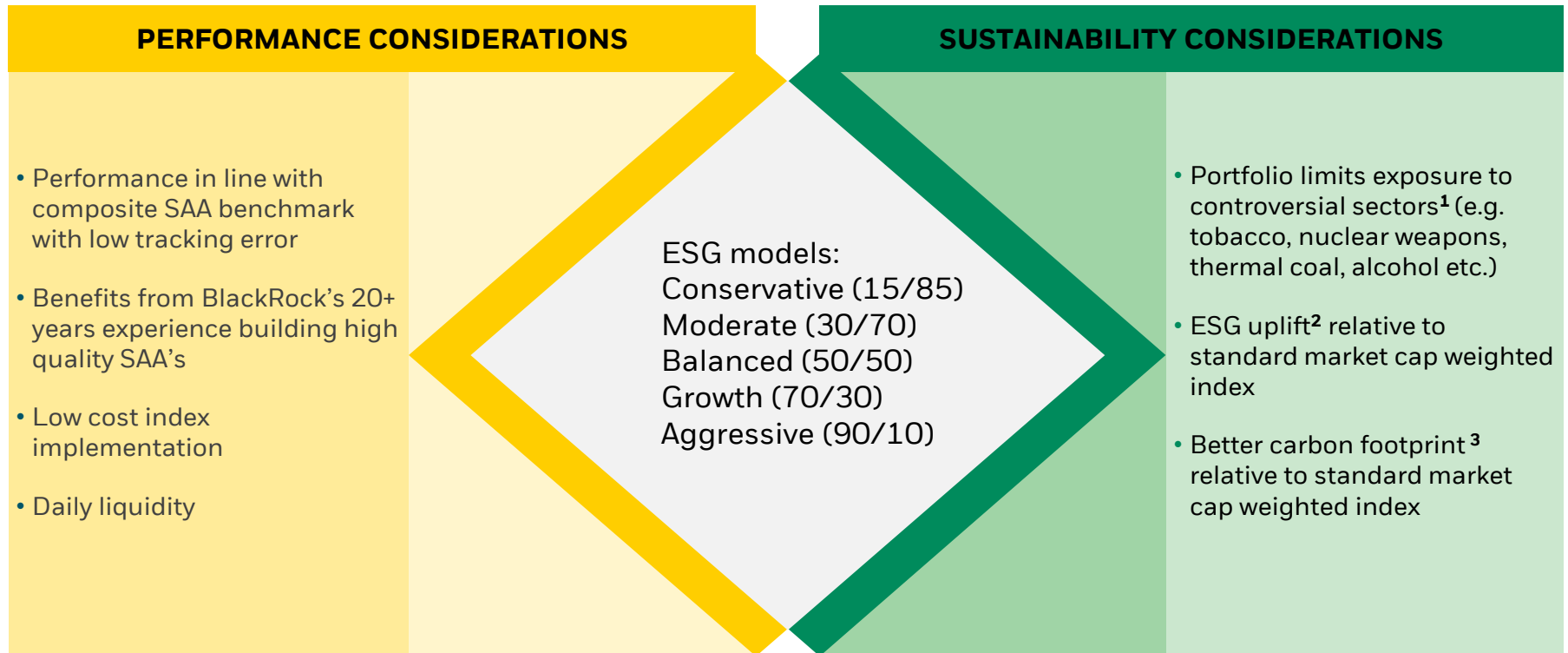
<sup>1</sup> Exclusionary screens vary by sub-fund. Please refer to the Appendix for exact types and definitions of exclusions for each underlying building block. The examples listed above are for illustration purposes only and may not include all the screens in each of the building block of the portfolio.

<sup>2</sup> ESG uplift refers to versus a non-ESG market cap weighted benchmark. The methodology and magnitude of the uplift may vary by sub-fund.. Please refer to the “Underlying Building Blocks” section of this slide deck for more details.

<sup>3</sup> Better carbon footprint refers to a lower carbon emission metric, measured in terms of scope 1 (direct) and scope 2 (indirect) emissions normalized by the most recently available enterprise value including cash (EVIC) in million USD. For more information around the definitions of scope 1+2 emissions, please refer to <https://www.msci.com/our-solutions/esg-investing/climate-solutions/climate-data-metrics>.

# ESG model portfolios: Targeting dual objectives

The models have a dual objective of matching a long-run, composite multi-asset class benchmark, while incorporating sustainability credentials relative to a standard market-capitalisation weighted portfolio.



Source: BlackRock, as of April 2024. The environmental, social and governance (“ESG”) considerations discussed herein may affect an investment team’s decision to invest in certain companies or sub-funds from time to time. Results may differ from portfolios that do not apply similar ESG considerations to their investment process. Please note that sustainability objectives do not apply to the cash holdings (or equivalents) of the portfolio.

<sup>1</sup> Exclusionary screens vary by sub-fund. Please refer to the Appendix for exact types and definitions of exclusions for each underlying building block. The examples listed above are for illustration purposes only and may not include all the screens in each of the building block of the portfolio.

<sup>2</sup> ESG uplift refers to improved environmental, social and/or governance characteristics versus a non-ESG market cap weighted benchmark. The methodology and magnitude of the uplift may vary by sub-fund. Please refer to the “Underlying Building Blocks” section of this slide deck for more details.

<sup>3</sup> Better carbon footprint refers to a lower carbon emission metric, measured in terms of scope 1 (direct) and scope 2 (indirect) emissions normalized by the most recently available enterprise value including cash (EVIC) in million USD. For more information around the definitions of scope 1+2 emissions, please refer to <https://www.msci.com/our-solutions/esg-investing/climate-solutions/climate-data-metrics>.



# Investment Framework

FOR WHOLESALE CLIENTS ONLY – NOT FOR DISTRIBUTION TO RETAIL CLIENTS

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# A disciplined approach to ESG model portfolio construction

**01**

## **Start**

with a long-term strategic asset allocation

**02**

## **Integrate**

sustainability characteristics via sub-funds<sup>1</sup>

**03**

## **Monitor**

performance and ESG credentials

Source: BlackRock. For illustrative purposes only.

<sup>1</sup> Sustainability characteristics vary by sub-funds. BlackRock does not consider asset class of cash (or cash equivalents) would raise a material risk of exposure to activities that are likely to be considered sensitive, controversial or to have an adverse sustainability impact

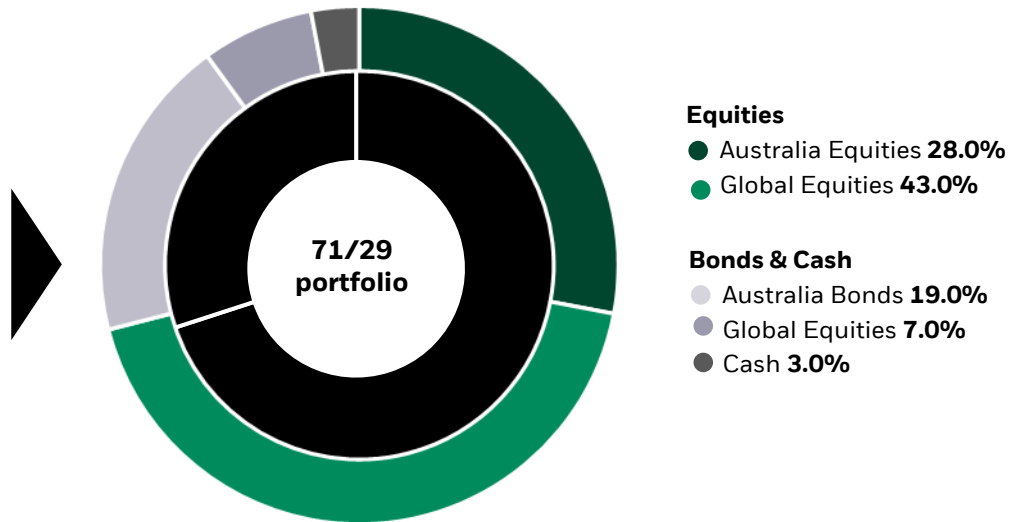
# Start with a long-term strategic asset allocation

Our Strategic Asset Allocation (SAA) incorporates long-term, structural trends that align with your clients' goals and risk tolerances.

## Responsibilities

<b>Financial Professional</b>	<ul style="list-style-type: none"><li>✓ Client risk tolerance</li><li>✓ Liquidity needs</li><li>✓ Investment horizon</li><li>✓ ESG Preferences</li></ul>
<b>Portfolio Manager</b>	<ul style="list-style-type: none"><li>✓ Portfolio benchmark</li><li>✓ Asset classes</li><li>✓ Investment vehicles</li><li>✓ ESG Focus*</li></ul>

## Sample Strategic Asset Allocation (SAA)



For illustrative purposes only. \*Please refer to the slides below for further details on the ESG Focus Areas.

# Integrate sustainability characteristics via sub-fund selection

## BlackRock Sustainable Investing Platform – Classification Framework

Governed by Sustainable Product Council (SPC)

- Provides clients with choice to invest in line with their specific investment goals and objectives.
- Provides an overarching classification regime for BlackRock funds that employ environmental, social and / or governance data as a key consideration within the portfolio construction or seek to achieve long-term sustainability outcomes.<sup>1</sup>

Classification:	Screened	Uplift	Thematic	Impact
<b>Investment approach</b>	Constrain investments by <b>avoiding issuers or business activities</b> with certain environmental, social and / or governance characteristics.	Commitment to investments with <b>improved environmental, social and / or governance characteristics</b> versus a stated universe or benchmark.	Targeted investments in issuers <b>whose business models</b> may not only benefit from but also may <b>drive long-term sustainability outcomes.</b>	Commitment to <b>generate positive, measurable, and additional sustainability outcomes.</b>
<b>Additional Details</b>	Includes use of screens while considering sector concentration risk	Environmental, social and / or governance data drives portfolio construction and security selection with some strategies leveraging to target a specific objective.	Strategy construction determined by focused exposure to the specific environmental or social theme.	Investment process must showcase “additionality” or “intentionality” in line with Operating Principles for Impact Management <sup>2</sup> .














 ESG Models focus areas

Source: BlackRock Sustainable Investing, 31 December 2023. There is no guarantee that a positive investment outcome will be achieved. The above information is for illustrative purposes only and should not be interpreted as investment advice or recommendation. The benchmark index only excludes companies engaging in certain activities inconsistent with ESG criteria if such activities exceed the thresholds determined by the index provider. Investors should therefore make a personal ethical assessment of the benchmark index's ESG screening prior to investing in the portfolio. Such ESG screening may adversely affect the value of the portfolio's investments compared to a portfolio without such screening.

<sup>1</sup> In line with each product's specific objective

<sup>2</sup>The Impact Principles is a framework for portfolio managers to ensure that impact considerations are purposefully integrated throughout the investment life cycle. Source: [www.impactprinciples.org/9-principles](http://www.impactprinciples.org/9-principles).

# Filtering the portfolio for specific sectors<sup>1</sup>

<b>CLIMATE</b>	 <b>Oil &amp; Natural Gas Reserves</b>	 <b>Thermal Coal</b>	
<b>SOCIAL VALUES/ ETHICS BASED</b>	 <b>Controversial Weapons</b>	 <b>Nuclear Weapons</b>	 <b>Civilian Firearms</b>
	 <b>Alcohol</b>	 <b>Adult Entertainment</b>	 <b>Gambling</b>
	 <b>Nuclear Power</b>	 <b>Conventional Weapons</b>	 <b>Tobacco</b>
<b>GLOBAL NORMS</b>	 <b>UNGC Violators</b>	 <b>ESG Controversies</b>	

<sup>1</sup> Exclusionary screens vary by sub-fund. Please refer to the following links for exact types and definitions of exclusions for each underlying building block.

Australian equities: [https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Australia\\_IMI\\_Custom\\_ESG\\_Index\\_Apr2021.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Australia_IMI_Custom_ESG_Index_Apr2021.pdf)

International equities: [https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_World\\_ex\\_Australia\\_Custom\\_ESG\\_Index\\_Apr2021.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_World_ex_Australia_Custom_ESG_Index_Apr2021.pdf)

Australian & International fixed income: <https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Fixed-Income-ESG-Indices.pdf>

Please note that the cash holdings (or cash equivalent) of the portfolio have no specific issuer names excluded from eligible purchases but does have minimum credit ratings applied to all eligible securities and concentration limits.

Source: BlackRock.

# Closer align your sustainability goals with your portfolio

The ESG Models invest with the aim achieving an ESG uplift and lower carbon footprint

**Aims to achieve a higher Environmental, Social & Governance (ESG) Score and lower carbon footprint**



## Higher ESG Scores<sup>1</sup>

relative to standard market-capitalisation weighted portfolio



## Lower carbon footprint<sup>2</sup>

relative to standard market-capitalisation weighted portfolio

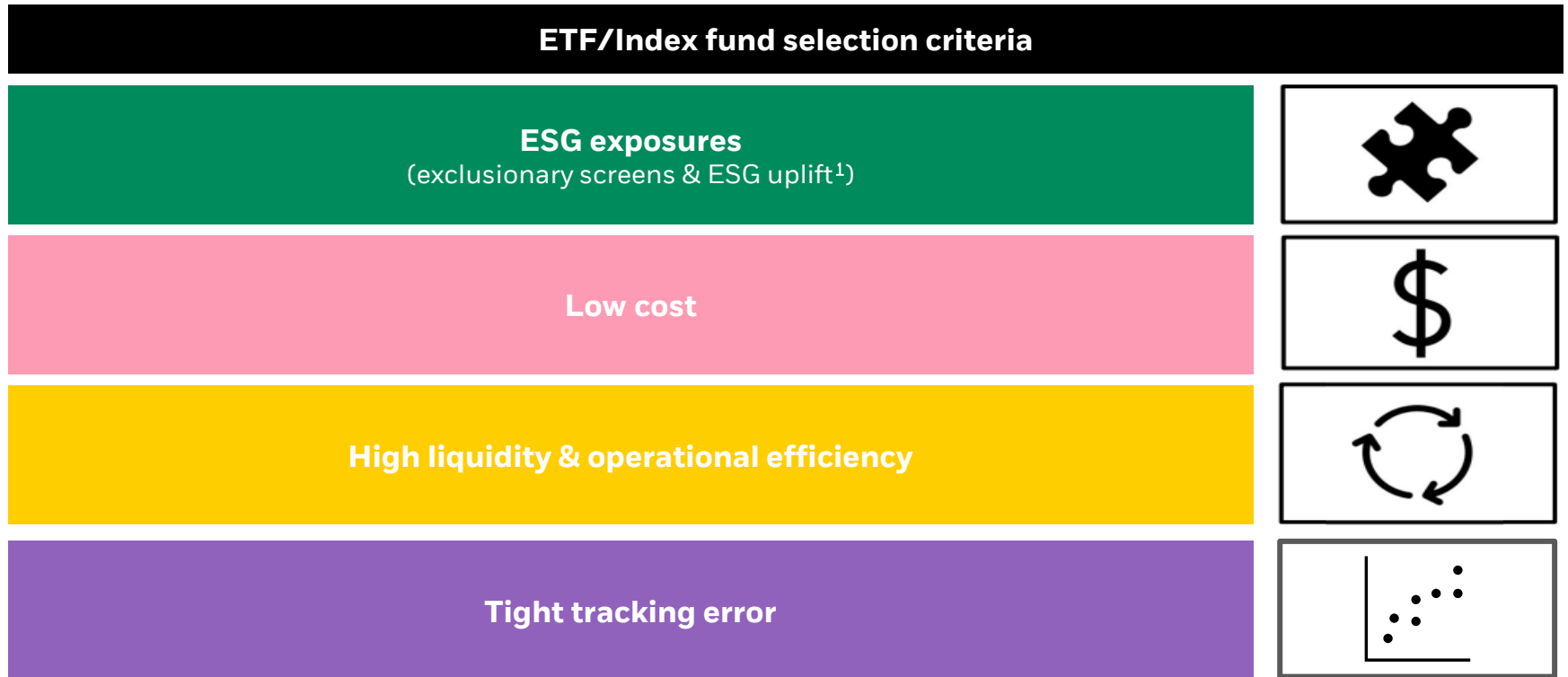
<sup>1</sup> Higher ESG scores are relative to a broad market benchmark which uses standard (non-ESG) market cap weighted indices as building blocks. We use the following standard market-cap weighted indices in the benchmark: Australian equity (S&P/ASX 300 Index), International equity (MSCI World ex Australia Index Unhedged & AUD Hedged), Australian fixed income (Bloomberg Ausbond Composite 0+ Yr Index), International fixed income (Bloomberg Global Aggregate AUD Hedged Index). For more information around ESG scores, please refer to MSCI's methodology in the following link: [ESG Ratings Methodology \(msci.com\)](https://www.msci.com/esg-ratings-methodology)

<sup>2</sup> Relative to a broad market benchmark as defined above. Carbon emissions are measured in terms of scope 1 (direct) and scope 2 (indirect) emissions normalized by the most recently available enterprise value including cash (EVIC) in million USD. For more information around the definitions of scope 1+2 emissions, please refer to <https://www.msci.com/our-solutions/esg-investing/climate-solutions/climate-data-metrics>.

Source: BlackRock. For illustrative purposes only.

# Besides sustainability credentials, we also look for efficient investment vehicles

Four key characteristics assessed when performing due diligence on the investment universe



Source: BlackRock. For illustrative purposes only.

<sup>1</sup>For more information on the exact definition of exclusionary screens & ESG uplift used in each building block, please refer to the “Underlying Building Blocks” section.

# SAA Review

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# Strategic Asset Allocation (SAA) Review 2024

The latest SAA review, which was conducted in early 2024, saw some changes in the portfolio's strategic allocations:

- **Modestly increased the growth/defensive split;** e.g. the Balanced portfolio is now 51/49 compared to 50/50
- **Increased Australian equities** given more favourable capital market assumptions relative to global equities
- **Increased equity FX hedge ratio** given the potential for the Australian dollar to strengthen
- **Reduced cash and international fixed income** to fund an increase in Australian fixed income

Source: BlackRock, as of latest rebalance on 3 April 2024. Views are subject to change.

# Asset class views

Asset Class	View	Rationale
<b>Growth/Defensive Split</b>	Increase	Higher expected returns and ongoing resiliency in forward earnings lead us to slightly increase the allocation to growth assets. For example, the Balanced portfolio is now 51/49 compared to 50/50 last year. We also increased the growth/defensive split for the Aggressive portfolio from 85/15 to 91/9 to better align to investors' risk appetite within this category.
<b>Growth Assets</b>		
Australian Equities	Increase	Relatively attractive valuations and higher dividend yields leads us to increase Australian equities marginally.
Developed ex AU Equities	Neutral	We reduce unhedged equities in favour for hedged equities to increase the currency hedge ratio. A higher currency hedge ratio would better protect the value of the portfolio in the event of a stronger Australian dollar.
<b>Defensive Assets</b>		
Australian Fixed Income	Increase	Relatively higher expected returns for Australian fixed income sees us increasing the exposure to Australian bonds over that of international fixed income and cash.
International Fixed Income	Decrease	We reduce International fixed income in favour for Australian fixed income based on the relative attractiveness of capital market assumptions.
Cash	Decrease	Reduce cash in favour for fixed income given higher expected returns for the latter.

Source: BlackRock, as of latest rebalance on 3 April 2024. Views are subject to change.

# 2024 SAA Holdings

Asset class	Underlying building block	Conservative	Moderate	Balanced	Growth	Aggressive	Conservative - Change	Moderate - Change	Balanced - Change	Growth - Change	Aggressive - Change	
Growth Assets	Australian Equities	iShares Core MSCI Australia ESG ETF	7.0%	11.5%	19.5%	28.0%	35.0%	0.5%	0.5%	0.5%	1.0%	3.0%
	International Equities	iShares Core MSCI World ex Australia ESG ETF	5.5%	12.5%	22.0%	30.5%	39.0%	-1.0%	-2.5%	-3.0%	-4.5%	-4.0%
	International Equities	iShares Core MSCI World ex Australia ESG (AUD Hedged) ETF	3.5%	7.0%	9.5%	12.5%	17.0%	1.5%	3.0%	3.5%	4.5%	7.0%
Defensive Assets	Australian Fixed Income	iShares ESG Australian Bond Index Fund	55.0%	45.0%	31.5%	19.0%	5.0%	4.0%	2.0%	0.0%	0.5%	-2.0%
	International Fixed Income	iShares ESG Screened Global Bond Index Fund	16.0%	14.0%	10.5%	7.0%	2.0%	-2.0%	-0.5%	0.0%	0.0%	-3.0%
	Cash	iShares Core Cash AUD ETF	10.0%	7.0%	4.0%	0.0%	0.0%	-3.0%	-2.5%	-1.0%	-1.5%	0.0%
	Cash	Platform Cash	3.0%	3.0%	3.0%	3.0%	2.0%	0.0%	0.0%	0.0%	0.0%	-1.0%
		<b>Growth assets</b>	<b>16.0%</b>	<b>31.0%</b>	<b>51.0%</b>	<b>71.0%</b>	<b>91.0%</b>					
		<b>Defensive assets</b>	<b>84.0%</b>	<b>69.0%</b>	<b>49.0%</b>	<b>29.0%</b>	<b>9.0%</b>					

Source: BlackRock, as of latest rebalance on 3 April 2024. Views are subject to change.

# Allocation & Performance

FOR WHOLESALE CLIENTS ONLY – NOT FOR DISTRIBUTION TO RETAIL CLIENTS

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# Target the right allocation for your clients

## Diverse range of risk profiles



■ Australian Equities   
 ■ International Equities   
 ■ Australian Fixed Income   
 ■ International Fixed Income   
 ■ Cash

Indirect Cost Ratio\*:

**0.09–0.17%**

p.a.

Fund Ratings:



as of March 2024

\*Indirect cost ratio refers only to the underlying ETF composite blended fee, and excludes investment management, platform, administrative or brokerage fees, as well as T-costs ratio. Total costs usually range between 25-30bps depending on the way you access the portfolios.

Source: BlackRock. For illustrative purposes only. Allocations and fees may be subject to change.

# ESG Model Portfolio Allocations

Portfolio Constituents & Weights – As of latest rebalance		Conservative	Moderate	Balanced	Growth	Aggressive
Indirect Cost Ratio (% p.a.)		0.17%	0.15%	0.14%	0.12%	0.10%
<b>Equity</b>		<b>16.0%</b>	<b>31.0%</b>	<b>51.0%</b>	<b>71.0%</b>	<b>91.0%</b>
<b>International Equity</b>		<b>9.0%</b>	<b>19.5%</b>	<b>31.5%</b>	<b>43.0%</b>	<b>56.0%</b>
IWLD	iShares Core MSCI World ex Australia ESG ETF	5.5%	12.5%	22.0%	30.5%	39.0%
IHWL	iShares Core MSCI World ex Australia ESG (AUD Hedged) ETF	3.5%	7.0%	9.5%	12.5%	17.0%
<b>Australian Equity</b>		<b>7.0%</b>	<b>11.5%</b>	<b>19.5%</b>	<b>28.0%</b>	<b>35.0%</b>
IESG	iShares Core MSCI Australia ESG ETF	7.0%	11.5%	19.5%	28.0%	35.0%
<b>Fixed Income</b>		<b>71.0%</b>	<b>59.0%</b>	<b>42.0%</b>	<b>26.0%</b>	<b>7.0%</b>
<b>International Fixed Income</b>		<b>16.0%</b>	<b>14.0%</b>	<b>10.5%</b>	<b>7.0%</b>	<b>2.0%</b>
ESGOBI	iShares ESG Screened Global Bond Index Fund	16.0%	14.0%	10.5%	7.0%	2.0%
<b>Australian Fixed Income</b>		<b>55.0%</b>	<b>45.0%</b>	<b>31.5%</b>	<b>19.0%</b>	<b>5.0%</b>
ESGABI	iShares ESG Australian Bond Index Fund	55.0%	45.0%	31.5%	19.0%	5.0%
<b>Cash</b>		<b>13.0%</b>	<b>10.0%</b>	<b>7.0%</b>	<b>3.0%</b>	<b>2.0%</b>
BILL	iShares Core Cash AUD ETF	10.0%	7.0%	4.0%	0.0%	0.0%
BAUBIL	AusBond Bank Bill Index	3.0%	3.0%	3.0%	3.0%	2.0%

Source: BlackRock, as of the latest SAA review on 3<sup>rd</sup> April 2024.

Notes: Indirect Cost Ratio only includes the underlying sub-fund fees, but excludes investment management, platform and transaction fees. The indirect cost ratio may differ on Netwealth, given the use of Class S building blocks.

# Top 10 stock holdings on look-through basis – April 2024

Conservative	
Top 10 stock holdings	5.4%
Microsoft Corporation	0.9%
Commonwealth Bank of Australia	0.8%
CSL Ltd	0.7%
Nvidia Corporation	0.7%
Wesfarmers Ltd	0.5%
Macquarie Group Ltd	0.5%
Goodman Group	0.4%
Fortescue Ltd	0.3%
Transurban Group	0.3%
Alphabet Inc	0.3%

Moderate	
Top 10 stock holdings	9.9%
Microsoft Corporation	1.9%
Nvidia Corporation	1.5%
Commonwealth Bank of Australia	1.3%
CSL Ltd	1.2%
Wesfarmers Ltd	0.9%
Macquarie Group Ltd	0.8%
Goodman Group	0.7%
Alphabet Inc	0.6%
Fortescue Ltd	0.5%
Transurban Group	0.5%

Balanced	
Top 10 stock holdings	16.2%
Microsoft Corporation	3.1%
Nvidia Corporation	2.3%
Commonwealth Bank of Australia	2.3%
CSL Ltd	2.0%
Wesfarmers Ltd	1.5%
Macquarie Group Ltd	1.4%
Goodman Group	1.1%
Alphabet Inc	0.9%
Fortescue Ltd	0.8%
Transurban Group	0.8%

Growth	
Top 10 stock holdings	22.3%
Microsoft Corporation	4.2%
Commonwealth Bank of Australia	3.1%
Nvidia Corporation	3.1%
CSL Ltd	2.7%
Wesfarmers Ltd	2.1%
Macquarie Group Ltd	2.0%
Goodman Group	1.5%
Alphabet Inc	1.3%
Fortescue Ltd	1.2%
Transurban Group	1.1%

Aggressive	
Top 10 stock holdings	26.4%
Microsoft Corporation	5.1%
Nvidia Corporation	3.8%
Commonwealth Bank of Australia	3.7%
CSL Ltd	3.2%
Wesfarmers Ltd	2.4%
Macquarie Group Ltd	2.3%
Goodman Group	1.8%
Alphabet Inc	1.5%
Fortescue Ltd	1.4%
Transurban Group	1.3%

Source: BlackRock, as of 30 April 2024.  
Holdings only refer to equity holdings.

# ESG Models – Performance at 30 April 2024

## Model Performance (30 April 2024)

	1M	3M	YTD	6M	1Y	2Y	Since inception (p.a.)
<b>Aggressive (90/10)</b>	-2.7%	3.2%	7.0%	18.1%	16.4%	10.1%	6.7%
<b>Growth (70/30)</b>	-2.6%	2.4%	5.4%	15.4%	13.1%	8.2%	4.8%
<b>Balanced (50/50)</b>	-2.5%	1.4%	3.4%	11.8%	8.9%	5.8%	2.5%
<b>Moderate (30/70)</b>	-2.3%	0.3%	1.3%	8.2%	4.9%	3.4%	0.2%
<b>Conservative (15/85)</b>	-2.2%	-0.6%	-0.4%	5.5%	1.6%	1.5%	-1.6%

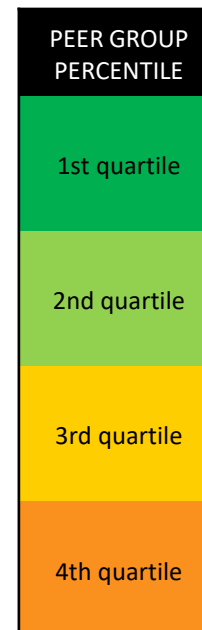
Source: BlackRock, as at 30 April 2024. Performance of model portfolios are net of iShares ETF fees (approx. 9-16bps per model p.a.), but gross of the investment management, platform, administrative, brokerage or transaction fees. Model portfolios have an inception date of August 2021. Since inception returns are annualized. Past performance is not a reliable indicator of future performance. This is not a securities recommendation to invest in any particular financial product. No analysis of their suitability was conducted and no statement of opinion in relation to their suitability is provided. The model performance shown is hypothetical and for illustrative purposes only. The performance does not represent the performance of an actual account and is not the result of any actual trading. Performance does not include brokerage and commissions that may be incurred in the trading of financial products within the model portfolio.



# ESG Models – Peer Group Comparison

## Morningstar peer group comparison (30 April 2024)

	1M	3M	6M	YTD	1 YR	2 YRS (p.a.)
<b>Aggressive</b>	-2.7%	3.2%	18.1%	7.0%	16.4%	10.1%
Peer Group Median (81-100% Growth Assets)	-2.8%	3.2%	15.1%	5.0%	12.2%	7.0%
<b>Growth</b>	-2.6%	2.4%	15.4%	5.4%	13.1%	8.2%
Peer Group Median (61-80% Growth Assets)	-2.4%	2.1%	12.0%	3.3%	8.9%	5.2%
<b>Balanced</b>	-2.5%	1.4%	11.8%	3.4%	8.9%	5.8%
Peer Group Median (41-60% Growth Assets)	-2.0%	1.5%	9.7%	2.4%	7.0%	4.3%
<b>Moderate</b>	-2.3%	0.3%	8.2%	1.3%	4.9%	3.4%
Peer Group Median (21-40% Growth Assets)	-1.7%	0.7%	7.1%	1.1%	4.5%	2.8%
<b>Conservative</b>	-2.2%	-0.6%	5.5%	-0.4%	1.6%	1.5%
Peer Group Median (0-20% Growth Assets)	-1.2%	0.4%	5.4%	0.8%	3.1%	2.5%



Source: BlackRock and Morningstar, as of 30 April 2024. The model portfolios have an inception date of August 2021. Past performance is not a reliable indicator of future performance. The model performance shown is hypothetical and for illustrative purposes only. The performance may not represent the performance of an actual account or investment product and is not the result of any actual trading. Model performance is estimated and net of underlying fund fees, but gross of platform fees and does not include brokerage and commissions that may be incurred in the trading of financial products within the model portfolio. Actual investment outcomes may vary.

# Bringing it to life

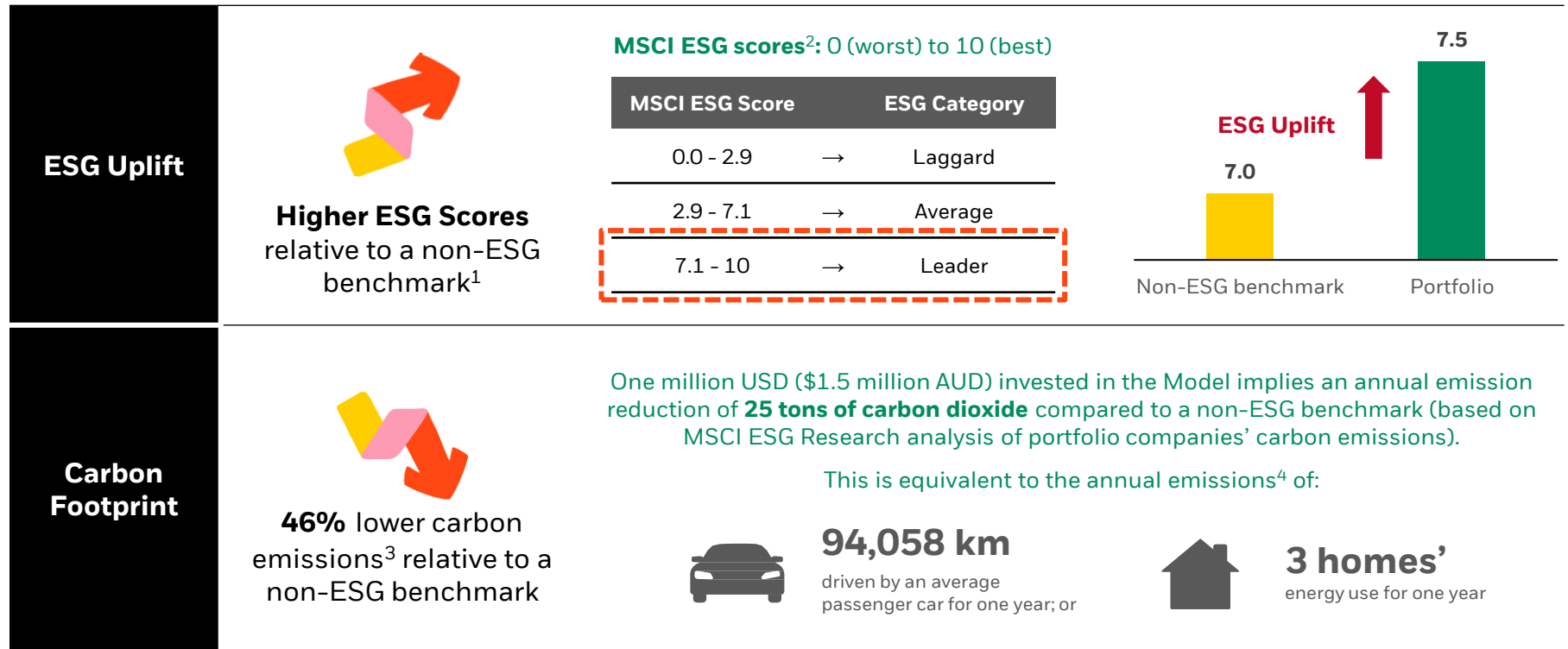
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# ESG metrics

## ESG Balanced Model Portfolio

We quantify the ESG characteristics of the model portfolio by comparing its MSCI ESG Scores and Carbon Emissions with a non-ESG benchmark portfolio. The non-ESG benchmark portfolio refers to a portfolio that uses traditional non-ESG market indices as building blocks. The following charts show the ESG Uplift and Carbon Reduction obtained from investing in the model portfolio relative to a traditional non-ESG benchmark



Source: As of 30 April 2024. For illustrative purposes only. This is not a recommendation to invest in any particular financial product. This material provides general information only. ESG score is only one factor to be considered when deciding whether to invest in a product.

<sup>1</sup>The non-ESG benchmark refers to a portfolio that uses standard (non-ESG) market cap weighted indices as building blocks. We use the following standard market-cap weighted indices: Australian equity (S&P/ASX 300 Index), International equity (MSCI World ex Australia Index Unhedged & AUD Hedged), Australian fixed income (Bloomberg Ausbond Composite 0+ Yr Index), International fixed income (Bloomberg Global Aggregate AUD Hedged Index).

<sup>2</sup>The MSCI ESG score is calculated as the weighted average of the underlying holdings' ESG scores as set out by MSCI. For more information, please refer to [ESG Ratings Methodology \(msci.com\)](https://www.msci.com/esg-ratings-methodology).

<sup>3</sup>Relative to a broad market benchmark. Carbon emissions are measured in terms of scope 1 (direct) and scope 2 (indirect) emissions normalized by the most recently available enterprise value including cash (EVIC) in million USD. For more information around the definitions of scope 1+2 emissions, please refer to: [www.msci.com/our-solutions/esg-investing/climate-solutions/climate-data-metrics](https://www.msci.com/our-solutions/esg-investing/climate-solutions/climate-data-metrics).

<sup>4</sup>The carbon reduction equivalents are calculated using the Greenhouse Gas Equivalencies Calculator as per the following link: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

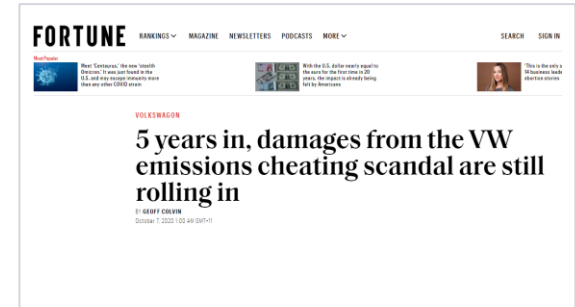
# Stock stories\* (based on MSCI ESG Controversies)



**Meta** was excluded<sup>1</sup>  
due to **customer  
privacy issues**



**Woolworths** was  
excluded<sup>1</sup> due to  
**labour rights issues**



**VW** was excluded<sup>1</sup> due to  
misleading claims in vehicle  
**diesel engine emissions**

Notes: Exclusions in this slide only refer to the equity portion of the portfolio. These securities may still be present in the overall portfolio through the fixed income portion of the portfolio (i.e. through ESGABI and ESGOBI).

\* Excluded only from the equity building blocks of the portfolio. The portfolio may still have exposure to these securities through the fixed income components (ESGABI and ESGOBI) of the portfolio.

Source: MSCI ESG Research, as of September 2023. References to specific securities are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. For more details on MSCI ESG Controversies, please refer to: <https://www.msci.com/documents/10199/acbe7c8a-a4e4-49de-9cf8-5e957245b86b>. Subject to change.

# Stock stories\* (based on BlackRock Stewardship Team)

- Through BlackRock's wider business lines we are a shareholder in nearly every listed company globally
- The Stewardship team aims to drive positive corporate change and promote better ESG-related outcomes
- Below are examples of how BlackRock voted in relation to some of the largest ASX listed companies\*

**BHP:** BlackRock voted for enhanced climate transition action plan

Investment Stewardship

**Vote Bulletin: BHP Group Plc/Limited**

Company	<b>BHP Group Plc/Limited (LSE: BHP; ASX: BHP)</b>
Market and Sector	Dual-listed in the United Kingdom and Australia; Materials
Meeting Date	BHP Group Plc: 14 October 2021 and BHP Group Limited: 11 November 2021
Key Resolutions <sup>1</sup>	<b>Item 20:</b> Approval of the Climate Transition Plan <b>Item 21:</b> Amendment to the Constitution of BHP Group Limited <b>Item 22:</b> Climate-related lobbying <b>Item 23:</b> Capital protection
Key Topics	Climate and natural capital; political activities and lobbying
Board Recommendation	The board recommended voting FOR items 20 and 22 and AGAINST items 21 and 23
BlackRock Vote	BlackRock voted FOR items 20 and 22 and AGAINST items 21 and 23

**AGL:** BlackRock voted for the proposal to commit to scope 1, 2 & 3 emissions reductions targets

Company	<b>AGL Energy Ltd. (ASX: AGL)</b>
Market and Sector	Australia, Utilities
Meeting Date	22 September 2021
Key Resolutions <sup>1</sup>	<b>Item 3.b:</b> Election of a candidate not nominated by the Board <b>Item 6.a:</b> Amendment to the Constitution <b>Item 6.b:</b> Ordinary resolution on Paris Goals and Targets
Key Topics	Board quality and effectiveness; climate and natural capital
Board Recommendation	The board recommended voting AGAINST items 3.b, 6.a, and 6.b
BlackRock Vote	BlackRock voted AGAINST items 3.b and 6.a and FOR item 6.b

**RIO:** BlackRock voted against remuneration packages for executives due to shortcomings; e.g. destruction of Juukan Gorge

Company	<b>Rio Tinto Group (Rio Tinto plc and Rio Tinto Limited)</b>
Market and Sector	United Kingdom, Australia/Materials
Meeting Date	Rio Tinto plc, 8 April 2022; Rio Tinto Limited, 5 May 2022
Key Resolutions <sup>1</sup>	<b>Rio Tinto plc and Rio Tinto Limited</b> <ul style="list-style-type: none"> <li>• <b>Item 4-13:</b> Re-election of board members</li> <li>• <b>Item 17:</b> Approve Climate Action Plan</li> </ul>
Key Topics	Board quality and effectiveness; climate risk; company impacts on people
Board Recommendation	The board recommended shareholders vote FOR items 4-13 and 17
BlackRock Vote	BlackRock voted FOR items 4-13 and 17

Source: BlackRock, as of 30 September 2023. References to specific securities are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities. For further information on BlackRock's Stewardship efforts please refer to: <https://www.blackrock.com/corporate/about-us/investment-stewardship>. Stewardship is applied to all equity listed securities held in the portfolio.

\*Note that most of the firms mentioned above are excluded from the portfolio due to fossil fuel screens or poor MSCI controversy scores.

# Underlying Building Blocks

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# Australian Equities:

## iShares Core MSCI Australia ESG ETF

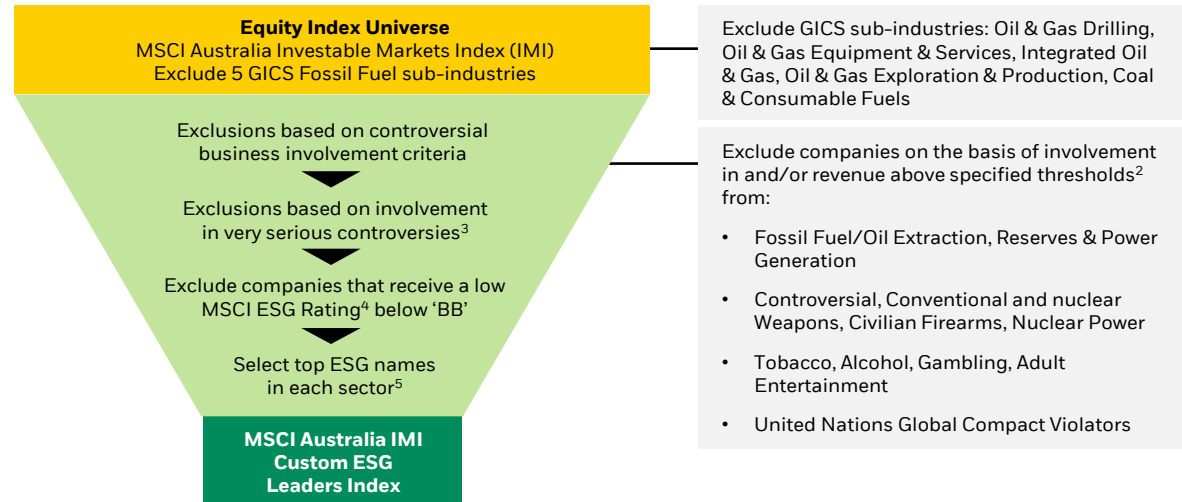
### iShares Core MSCI Australia ESG ETF ('IESG')

The Fund aims to provide investors with the performance of the MSCI Australia IMI Custom ESG Leaders Index, before fees and expenses. The index is designed to measure the performance of Australian large and mid-cap companies with better sustainability credentials relative to their sector peers.

#### iShares Core MSCI Australia ESG ETF ('IESG')

<b>Objective</b>	<ul style="list-style-type: none"> <li>Seeks to achieve index performance (before fees) over a rolling three year period</li> </ul>
<b>Key Benefits</b>	<ul style="list-style-type: none"> <li><b>Efficient trading:</b> centralised trading that leverages BlackRock's economies of scale</li> <li><b>Quantitative</b> process balances tracking error and transaction costs</li> <li><b>Better sustainability</b> credentials relative to parent index</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>ETF listed on ASX</li> <li>Launched June 2021</li> </ul>

#### Index Construction Methodology:



Source: BlackRock, as at 31 December 2023. The above serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs.

<sup>1</sup>Please refer to MSCI methodology for more details: [https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_Australia\\_IMI\\_Custom\\_ESG\\_Leaders\\_Index\\_Apr2021.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_Australia_IMI_Custom_ESG_Leaders_Index_Apr2021.pdf).

<sup>2</sup>Screen thresholds are defined by MSCI as per the above methodology paper link. For more details, please also refer to the Appendix slide highlighting screen thresholds for this building block.

<sup>3</sup>The MSCI Controversy Score provides assessment of controversies concerning the negative environmental, social and governance impact of company operations, products & services. This framework is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles & Rights at Work, and the UN Global Compact. Scaled from 0-10, with "0" being the worst. Scores of 0-2 are excluded from the index.

<sup>4</sup>For more details on MSCI ESG Ratings, please refer to: <https://www.msci.com/esgratings>

<sup>5</sup>For each sector, eligible securities of the Parent Index are ranked based on MSCI ESG ratings criteria. Eligible securities are then selected from the ranked universe until the target 50% coverage by cumulative free float-adjusted market capitalization is reached in each sector. Please refer to the MSCI methodology paper above for more information.

# Australian Equities: Definition of exclusionary screens

## iShares Core MSCI Australia ESG ETF

### Definition of exclusionary screens

Business Involvement	Threshold
Adult Entertainment	<ul style="list-style-type: none"> <li>All companies classified as a ‘Producer’</li> <li>All companies deriving 5% or more aggregate revenue from the production, distribution and retail of adult entertainment materials</li> </ul>
Alcohol	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from the production of alcohol-related products</li> <li>All companies deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products</li> </ul>
Civilian Firearms	<ul style="list-style-type: none"> <li>All companies classified as “Producer” of firearms and small arms ammunitions for civilian markets. It does not cover companies that cater to the military, government, and law enforcement markets</li> <li>All companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use</li> </ul>
Controversial Weapons	<ul style="list-style-type: none"> <li>All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons), as defined by the methodology of the MSCI Global Ex-Controversial Weapons Indexes available at <a href="https://www.msci.com/index-methodology">https://www.msci.com/index-methodology</a></li> </ul>
Conventional Weapons	<ul style="list-style-type: none"> <li>All companies deriving 10% or more revenue from the production of conventional weapons and component</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>All companies that own or operate gambling facilities such as casinos, racetracks, bingo parlors, or other betting establishments, including: horse, dog, or other racing events that permit wagering; lottery operations; online gambling; pari-mutuel wagering facilities; bingo; pachislot and pachinko parlors; slot machines; Jai-alai; mobile gambling; and sporting events that permit wagering</li> <li>All companies deriving 5% or more aggregate revenue from gambling-related business activities</li> </ul>
Nuclear Power	<ul style="list-style-type: none"> <li>All companies generating 5% or more of their total electricity from nuclear power in a given year</li> <li>All companies that have 5% or more of installed capacity attributed to nuclear sources in a given year</li> <li>All companies deriving 15% or more aggregate revenue from nuclear power activities</li> </ul>
Oil Sands	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from oil sands extraction, which own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction. Companies that derive revenue from non-extraction activities (e.g. exploration, surveying, processing, refining) or intra-company sales are not excluded. Additionally, companies that own oil sands reserves with no associated revenue are also not excluded</li> </ul>
Thermal Coal Based Power Generation	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>All companies classified as a “Producer”</li> <li>All companies deriving 5% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products</li> </ul>

Source: BlackRock, as at 31 December 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs.

Please refer to the fund’s disclosure for more details: <https://www.blackrock.com/au/individual/literature/continuous-disclosure-and-important-information/iesg-ihwl-iwld-esg-overview-may-2023-en-au.pdf>



# Australian Equities: Definition of exclusionary screens

## iShares Core MSCI Australia ESG ETF

### Definition of exclusionary screens ('continued')

Business Involvement	Threshold
Nuclear Weapons	<ul style="list-style-type: none"> <li>All companies that manufacture nuclear warheads and/or whole nuclear missiles</li> <li>All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles)</li> <li>All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons</li> <li>All companies that provide auxiliary services related to nuclear weapons</li> <li>All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons</li> <li>All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons</li> <li>All companies that manufacture components for nuclear-exclusive delivery platforms</li> <li>All companies that manufacture nuclear weapons, including nuclear warheads, intercontinental ballistic missiles, and ballistic missile submarines, which are capable of the delivery of nuclear warhead</li> <li>All companies that manufacture key nuclear weapons components</li> <li>All companies that are 50 percent or more owned by a company with nuclear weapons involvement</li> <li>All companies that own 20 to 49.99 percent of a company with nuclear weapons involvement</li> </ul>
Fossil Fuel Extraction and Reserves	<ul style="list-style-type: none"> <li>All companies deriving 5% or more aggregate revenue (either reported or estimated) from thermal coal mining and unconventional oil and gas extraction                             <ul style="list-style-type: none"> <li>Thermal Coal Mining: Revenue from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover revenue from metallurgical coal; coal mined for internal power generation (e.g., in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading</li> <li>Unconventional Oil &amp; Gas Extraction: Revenue from oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane. It does not cover all types of conventional oil and gas production including Arctic onshore/offshore, deep water, shallow water and other onshore/offshore</li> </ul> </li> <li>All companies with evidence of owning oil and/or natural gas reserves, and deriving at least 15% revenue (either reported or estimated) from the extraction and production of oil and gas</li> <li>All companies with evidence of owning thermal coal reserves, and deriving at least 15% revenue (either reported or estimated) from the mining of thermal coal and its sale to external parties</li> <li>All companies with an industry tie to thermal coal, in particular reserve ownership, production and power generation</li> </ul>
Global Norms – United Nations Global Compact Compliance	<ul style="list-style-type: none"> <li>All companies that fail to comply with the United Nations Global Compact principles</li> </ul>
Controversies Score	<ul style="list-style-type: none"> <li>All companies are required to have an MSCI ESG Controversies Score of 3 or above to be eligible for inclusion in the Index. Thereafter, existing constituents of the Index must maintain a score of 1 or above</li> </ul>

Source: BlackRock, as at 31 December 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Please refer to the fund's disclosure for more details: <https://www.blackrock.com/au/individual/literature/continuous-disclosure-and-important-information/iesg-ihwl-iwld-esg-overview-may-2023-en-au.pdf>

# International Equities:

## iShares Core MSCI World ex Australia ESG ETFs (hedged & unhedged)

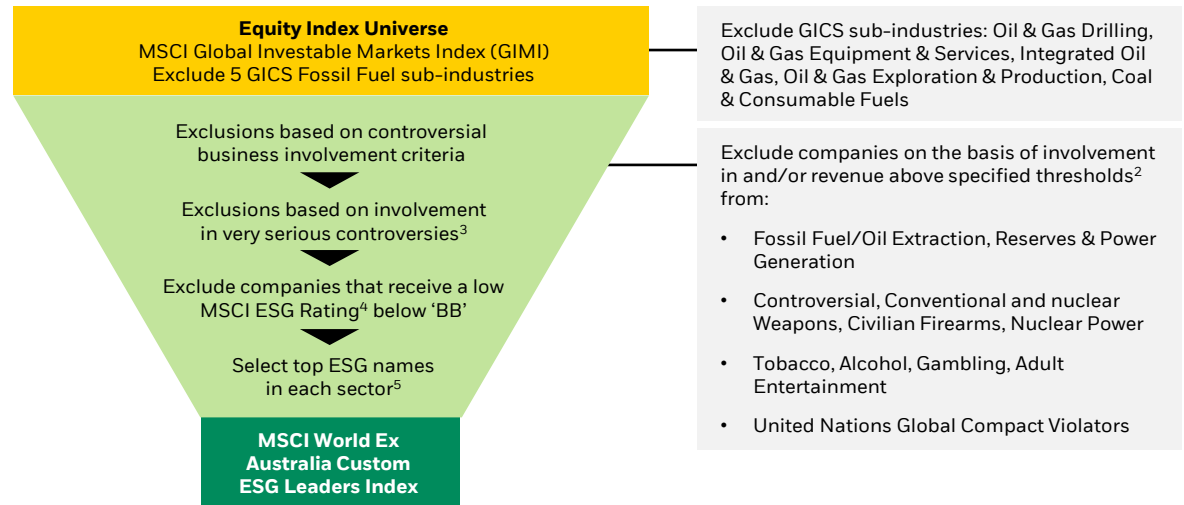
**iShares Core MSCI World ex Aus ESG ETFs ('IWLD' and 'IHWL')**

The Fund aims to provide investors with the performance of the MSCI World Ex Australia Custom ESG Leaders Index, before fees and expenses. There are two versions available, one unhedged in AUD and one 100% hedged to AUD. The index is designed to measure the performance of global, developed market large and mid-cap companies with better sustainability credentials relative to their sector peers.

### iShares Core MSCI World ex Aust ESG ETFs ('IWLD' and 'IHWL')

<b>Objective</b>	<ul style="list-style-type: none"> <li>Seeks to achieve index performance (before fees) over a rolling three year period</li> </ul>
<b>Key Benefits</b>	<ul style="list-style-type: none"> <li><b>Efficient trading:</b> centralised trading that leverages BlackRock's economies of scale</li> <li><b>Quantitative</b> process balances tracking error and transaction costs</li> <li><b>Better sustainability</b> credentials relative to parent index</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>ETF listed on ASX</li> <li>Launched Apr 2016</li> </ul>

### Index Construction Methodology



Source: BlackRock, as at 31 December 2023. The above serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs.

<sup>1</sup>Please refer to MSCI methodology for more details: [https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_World\\_ex\\_Australia\\_Custom\\_ESG\\_Leaders\\_Index\\_Apr2021.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_World_ex_Australia_Custom_ESG_Leaders_Index_Apr2021.pdf).

<sup>2</sup>Screen thresholds are defined by MSCI as per the above methodology paper link. For more details, please also refer to the Appendix slide highlighting screen thresholds for this building block.

<sup>3</sup>The MSCI Controversy Score provides assessment of controversies concerning the negative environmental, social and governance impact of company operations, products & services. This framework is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles & Rights at Work, and the UN Global Compact. Scaled from 0-10, with "0" being the worst. Scores of 0-2 are excluded from the index.

<sup>4</sup>For more details on MSCI ESG Ratings, please refer to: <https://www.msci.com/esgratings>

<sup>5</sup>For each sector, eligible securities of the Parent Index are ranked based on MSCI ESG criteria. Eligible securities are then selected from the ranked universe until the target 50% coverage by cumulative free float-adjusted market capitalization is reached in each sector. Please refer to the MSCI methodology paper above for more information.

# International Equities: Definition of exclusionary screens

iShares Core MSCI World ex Australia ESG ETFs (hedged & unhedged)

## Definition of exclusionary screens

Business Involvement	Threshold
Adult Entertainment	<ul style="list-style-type: none"> <li>All companies classified as a 'Producer'</li> <li>All companies deriving 5% or more aggregate revenue from the production, distribution and retail of adult entertainment materials</li> </ul>
Alcohol	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from the production of alcohol-related products</li> <li>All companies deriving 15% or more aggregate revenue from the production, distribution, retail and supply of alcohol-related products</li> </ul>
Civilian Firearms	<ul style="list-style-type: none"> <li>All companies classified as "Producer" of firearms and small arms ammunitions for civilian markets. It does not cover companies that cater to the military, government, and law enforcement markets</li> <li>All companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use</li> </ul>
Controversial Weapons	<ul style="list-style-type: none"> <li>All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons), as defined by the methodology of the MSCI Global Ex-Controversial Weapons Indexes available at <a href="https://www.msci.com/index-methodology">https://www.msci.com/index-methodology</a></li> </ul>
Conventional Weapons	<ul style="list-style-type: none"> <li>All companies deriving 10% or more revenue from the production of conventional weapons and component</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>All companies those own or operate gambling facilities such as casinos, racetracks, bingo parlors, or other betting establishments, including: horse, dog, or other racing events that permit wagering; lottery operations; online gambling; pari-mutuel wagering facilities; bingo; pachislot and pachinko parlors; slot machines; Jai-alai; mobile gambling; and sporting events that permit wagering</li> <li>All companies deriving 5% or more aggregate revenue from gambling-related business activities</li> </ul>
Nuclear Power	<ul style="list-style-type: none"> <li>All companies generating 5% or more of their total electricity from nuclear power in a given year</li> <li>All companies that have 5% or more of installed capacity attributed to nuclear sources in a given year</li> <li>All companies deriving 15% or more aggregate revenue from nuclear power activities</li> </ul>
Oil Sands	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from oil sands extraction, which own oil sands reserves and disclose evidence of deriving revenue from oil sands extraction. Companies that derive revenue from non-extraction activities (e.g. exploration, surveying, processing, refining) or intra-company sales are not excluded. Additionally, companies that own oil sands reserves with no associated revenue are also not excluded</li> </ul>
Thermal Coal Based Power Generation	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>All companies classified as a "Producer"</li> <li>All companies deriving 5% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products</li> </ul>

Source: BlackRock, as at 31 December 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs.

Please refer to the fund's disclosure for more details: <https://www.blackrock.com/au/individual/literature/continuous-disclosure-and-important-information/iesg-ihwl-iwld-esg-overview-may-2023-en-au.pdf>

# International Equities: Definition of exclusionary screens

iShares Core MSCI World ex Australia ESG ETFs (hedged & unhedged)

## Definition of exclusionary screens ('continued')

Business Involvement	Threshold
Nuclear Weapons	<ul style="list-style-type: none"> <li>All companies that manufacture nuclear warheads and/or whole nuclear missiles</li> <li>All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles)</li> <li>All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons</li> <li>All companies that provide auxiliary services related to nuclear weapons</li> <li>All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons</li> <li>All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons</li> <li>All companies that manufacture components for nuclear-exclusive delivery platforms</li> <li>All companies that manufacture nuclear weapons, including nuclear warheads, intercontinental ballistic missiles, and ballistic missile submarines, which are capable of the delivery of nuclear warhead</li> <li>All companies that manufacture key nuclear weapons components</li> <li>All companies that are 50 percent or more owned by a company with nuclear weapons involvement</li> <li>All companies that own 20 to 49.99 percent of a company with nuclear weapons involvement</li> </ul>
Fossil Fuel Extraction and Reserves	<ul style="list-style-type: none"> <li>All companies deriving 5% or more aggregate revenue (either reported or estimated) from thermal coal mining and unconventional oil and gas extraction</li> <li>Thermal Coal Mining: Revenue from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover revenue from metallurgical coal; coal mined for internal power generation (e.g., in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading</li> <li>Unconventional Oil &amp; Gas Extraction: Revenue from oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane. It does not cover all types of conventional oil and gas production including Arctic onshore/offshore, deep water, shallow water and other onshore/offshore</li> <li>All companies with evidence of owning oil and/or natural gas reserves, and deriving at least 15% revenue (either reported or estimated) from the extraction and production of oil and gas</li> <li>All companies with evidence of owning thermal coal reserves, and deriving at least 15% revenue (either reported or estimated) from the mining of thermal coal and its sale to external parties</li> </ul>
Global Norms – United Nations Global Compact Compliance	<ul style="list-style-type: none"> <li>All companies that fail to comply with the United Nations Global Compact principles</li> </ul>
Controversies Score	<ul style="list-style-type: none"> <li>All companies are required to have an MSCI ESG Controversies Score of 3 or above to be eligible for inclusion in the Index. Thereafter, existing constituents of the Index must maintain a score of 1 or above</li> </ul>

Source: BlackRock, as at 31 December 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Please refer to the fund's disclosure for more details: <https://www.blackrock.com/au/individual/literature/continuous-disclosure-and-important-information/iesg-ihwl-iwld-esg-overview-may-2023-en-au.pdf>

# Australian Fixed Income: iShares ESG Australian Bond Index Fund

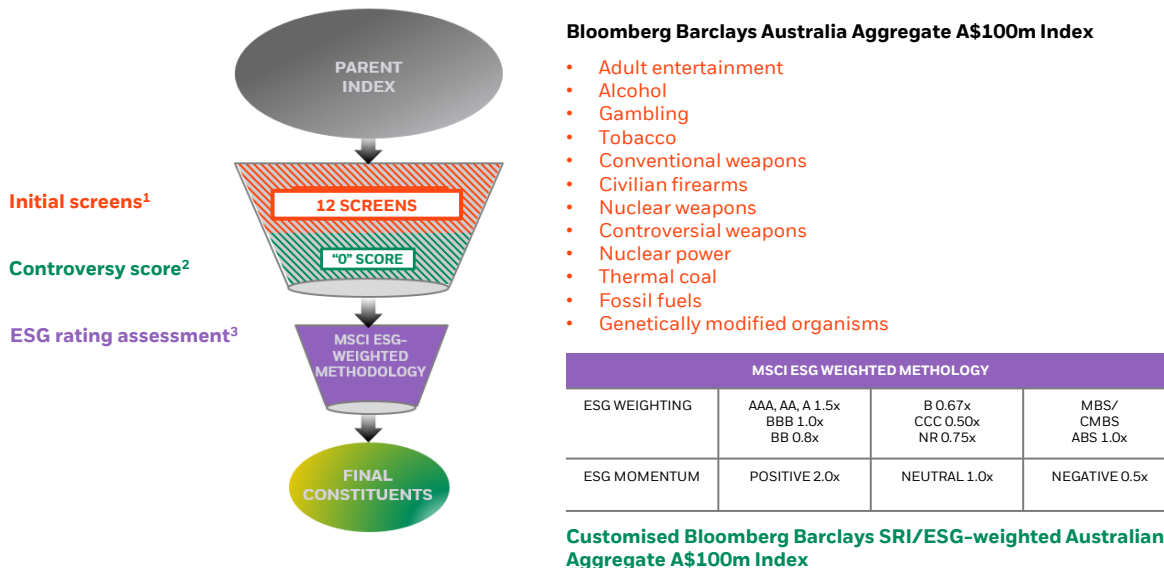
## iShares ESG Australian Bond Index Fund

The Fund seeks to match the performance of its customised ESG benchmark, which screens out issuers in 12 core MSCI SRI filters. The Fund also seeks to upweight issuers with higher ESG scores and ESG score momentum.

### iShares ESG Australian Bond Index Fund

<b>Objective</b>	<ul style="list-style-type: none"> <li>Seeks to achieve index performance (before fees) over a rolling three year period</li> </ul>
<b>Key Benefits</b>	<ul style="list-style-type: none"> <li><b>Efficient trading:</b> centralised trading that leverages BlackRock's economies of scale</li> <li><b>Quantitative</b> process balances tracking error and transaction costs</li> <li><b>Better sustainability</b> credentials relative to parent index</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>Australian unit trust (unlisted)</li> <li>Daily pricing/liquidity</li> <li>Launched Feb 2019</li> </ul>

### Index Construction Methodology



Source: BlackRock, as at 30 November 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Exclusionary screens typically exclude issuers based on revenue thresholds and sector involvement. Issuers may not be screened out if insufficient data is available in relation to them. Changes may result in issuers meeting or failing to meet BlackRock's index providers' ESG criteria from time to time. In these circumstances, BlackRock will use reasonable efforts to invest, divest or otherwise respond to the change within a reasonable period (for example, at the following rebalance date) considering the materiality of the change, liquidity, and transaction costs.

<sup>1</sup> Screens out issuers in 12 core MSCI SRI filters. For more information on the definition of screens, please refer to page 7 & 8 of the following methodology paper: <https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Fixed-Income-ESG-Indices.pdf>

<sup>2</sup> The Controversy Score measures an issuer's involvement in major ESG controversies and how well they adhere to international norms and principles. Alternatively referred to as a "Red flag" controversy whereby an issuer has a controversy score of less than 1. For more information, please refer to page 7 of the methodology paper attached in footnote 1.

<sup>3</sup> ESG ratings provided by MSCI. Please refer to <https://www.msci.com/esg-ratings> for more information.

# Australian Fixed Income: Definition of exclusionary screens

## iShares ESG Australian Bond Index Fund

### Definition of exclusionary screens

Business Involvement	Threshold
Adult Entertainment	<ul style="list-style-type: none"> <li>Excludes all companies either deriving 5% or more revenue from the production of adult entertainment materials, or deriving 15% or more aggregate revenue from the production, distribution, and retail of adult entertainment materials.</li> </ul>
Alcohol	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from the production of alcohol related products, or deriving 15% or more aggregate revenue from the production, distribution, retail, and supply of alcohol related products.</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from ownership of operation of gambling related business activities or deriving 15% or more aggregate revenue from gambling related business activities.</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>All companies either classified as a “Producer” or deriving 5% or more of their aggregate revenue from the production, distribution, retail, supply, and licensing of tobacco related products.</li> </ul>
Conventional Weapons	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from the production of conventional weapons and components, or deriving 15% or more aggregate revenue from weapons systems, components, and support systems and services.</li> </ul>
Civilian Firearms	<ul style="list-style-type: none"> <li>All companies either classified as “Producer” of firearms and small arms ammunitions for civilian markets (which does not include companies that cater to the military, government, and law enforcement markets), or companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.</li> </ul>
Nuclear Weapons	<ul style="list-style-type: none"> <li>All companies that manufacture nuclear warheads and/or whole nuclear missiles.</li> <li>All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles).</li> <li>All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons.</li> <li>All companies that provide auxiliary services related to nuclear weapons.</li> <li>All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons.</li> <li>All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons.</li> <li>All companies that manufacture components for nuclear-exclusive delivery platforms.</li> </ul>
Controversial Weapons	<ul style="list-style-type: none"> <li>All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments, and incendiary weapons).</li> </ul>
Nuclear Power	<ul style="list-style-type: none"> <li>All companies generating 5% or more of their total electricity from nuclear power in a given year.</li> <li>All companies that have 5% or more of installed capacity attributed to nuclear sources in a given fiscal year.</li> <li>All companies deriving 15% or more aggregate revenue from nuclear power activities.</li> </ul>
Thermal Coal	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation.</li> </ul>
Fossil Fuels	<ul style="list-style-type: none"> <li>All companies with evidence of owning proven &amp; probable coal reserves and/or proven oil and natural gas reserves used for energy purposes.</li> <li>All companies deriving any revenue from thermal coal mining or unconventional oil and gas extraction.</li> </ul>
Genetically Modified Organisms	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from activities like genetically modifying plants, such as seeds and crops, and other organisms intended for agricultural use or human consumption.</li> </ul>

Source: BlackRock, as at 30 November 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Please refer to Bloomberg Barclays MSCI ESG Fixed Income Indexes methodology for more details: <https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Fixed-Income-ESG-Indices.pdf>

# International Fixed Income: iShares ESG Screened Global Bond Index Fund

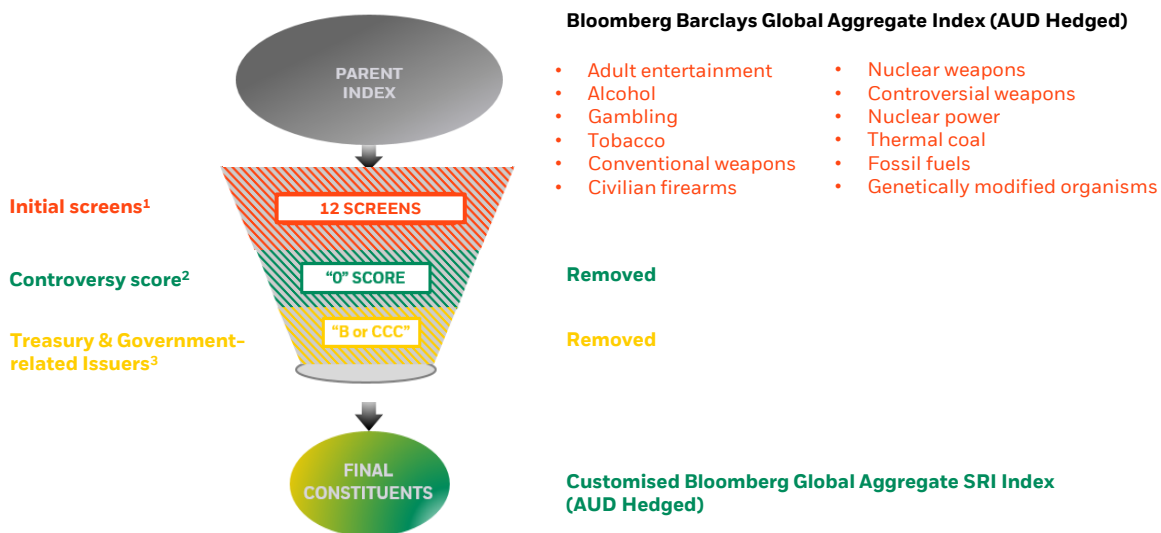
## iShares ESG Screened Global Bond Index Fund

The Fund seeks to match the performance of its customised ESG benchmark, which screens out issuers in 12 core MSCI SRI filters and excludes treasury or government-related issuers with an MSCI ESG Government rating of “B” or “CCC”.

### iShares ESG Screened Global Bond Index Fund

<b>Objective</b>	<ul style="list-style-type: none"> <li>Seeks to achieve index performance (before fees) over a rolling three year period</li> </ul>
<b>Key Benefits</b>	<ul style="list-style-type: none"> <li><b>Efficient trading:</b> centralised trading that leverages BlackRock’s economies of scale</li> <li><b>Quantitative</b> process balances tracking error and transaction costs</li> <li><b>Better sustainability</b> credentials relative to parent index</li> </ul>
<b>Structure</b>	<ul style="list-style-type: none"> <li>Australian unit trust (unlisted)</li> <li>Daily pricing/liquidity</li> <li>Launched Aug 2019</li> </ul>

### Index Construction Methodology<sup>1</sup>



Source: BlackRock, as at 30 November 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Exclusionary screens typically exclude issuers based on revenue thresholds and sector involvement. Issuers may not be screened out if insufficient data is available in relation to them. Changes may result in issuers meeting or failing to meet BlackRock’s index providers’ ESG criteria from time to time. In these circumstances, BlackRock will use reasonable efforts to invest, divest or otherwise respond to the change within a reasonable period (for example, at the following rebalance date) considering the materiality of the change, liquidity, and transaction costs.

<sup>1</sup> Screen thresholds are as defined by MSCI. For more information on the definition of screens, please refer to page 7 & 8 of the following methodology paper: <https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Fixed-Income-ESG-Indices.pdf>

<sup>2</sup> The Controversy Score measures an issuer’s involvement in major ESG controversies and how well they adhere to international norms and principles. Alternatively referred to as a “Red flag” controversy whereby an issuer has a controversy score of less than 1. For more information, please refer to page 7 of the methodology paper attached in footnote 1.

<sup>3</sup> The Treasury & Government filter screens out government bonds from countries that receive an ESG score of B or CCC.

# International Fixed Income: Definition of exclusionary screens

## iShares ESG Screened Global Bond Index Fund

### Definition of exclusionary screens

Business Involvement	Threshold
Adult Entertainment	<ul style="list-style-type: none"> <li>Excludes all companies either deriving 5% or more revenue from the production of adult entertainment materials, or deriving 15% or more aggregate revenue from the production, distribution, and retail of adult entertainment materials.</li> </ul>
Alcohol	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from the production of alcohol related products, or deriving 15% or more aggregate revenue from the production, distribution, retail, and supply of alcohol related products.</li> </ul>
Gambling	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from ownership of operation of gambling related business activities or deriving 15% or more aggregate revenue from gambling related business activities.</li> </ul>
Tobacco	<ul style="list-style-type: none"> <li>All companies either classified as a “Producer” or deriving 5% or more of their aggregate revenue from the production, distribution, retail, supply, and licensing of tobacco related products.</li> </ul>
Conventional Weapons	<ul style="list-style-type: none"> <li>All companies either deriving 5% or more revenue from the production of conventional weapons and components, or deriving 15% or more aggregate revenue from weapons systems, components, and support systems and services.</li> </ul>
Civilian Firearms	<ul style="list-style-type: none"> <li>All companies either classified as “Producer” of firearms and small arms ammunitions for civilian markets (which does not include companies that cater to the military, government, and law enforcement markets), or companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.</li> </ul>
Nuclear Weapons	<ul style="list-style-type: none"> <li>All companies that manufacture nuclear warheads and/or whole nuclear missiles.</li> <li>All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles).</li> <li>All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons.</li> <li>All companies that provide auxiliary services related to nuclear weapons.</li> <li>All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons.</li> <li>All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons.</li> <li>All companies that manufacture components for nuclear-exclusive delivery platforms.</li> </ul>
Controversial Weapons	<ul style="list-style-type: none"> <li>All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments, and incendiary weapons).</li> </ul>
Nuclear Power	<ul style="list-style-type: none"> <li>All companies generating 5% or more of their total electricity from nuclear power in a given year.</li> <li>All companies that have 5% or more of installed capacity attributed to nuclear sources in a given fiscal year.</li> <li>All companies deriving 15% or more aggregate revenue from nuclear power activities.</li> </ul>
Thermal Coal	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation.</li> </ul>
Fossil Fuels	<ul style="list-style-type: none"> <li>All companies with evidence of owning proven &amp; probable coal reserves and/or proven oil and natural gas reserves used for energy purposes.</li> <li>All companies deriving any revenue from thermal coal mining or unconventional oil and gas extraction.</li> </ul>
Genetically Modified Organisms	<ul style="list-style-type: none"> <li>All companies deriving 5% or more revenue from activities like genetically modifying plants, such as seeds and crops, and other organisms intended for agricultural use or human consumption.</li> </ul>

Source: BlackRock, as at 30 November 2023. It serves as a general summary, is not exhaustive and should not be construed as investment advice and is not intended as an endorsement of any specific investment. An assessment should be made as to whether the information is appropriate for you having regard to your objectives, financial situation and needs. Please refer to Bloomberg Barclays MSCI ESG Fixed Income Indexes methodology for more details: <https://assets.bbhub.io/professional/sites/10/BBG-MSCI-Fixed-Income-ESG-Indices.pdf>



# IMPORTANT INFORMATION

## PERFORMANCE DATA

Performance figures represent past performance and are not indicative of future performance. Current performance may be higher or lower than that shown. Net performance figures are calculated after fund management fees and expenses, and assume reinvestment of distributions. Gross performance figures are calculated gross of ongoing fees and expenses. Unless otherwise stated, performance for periods greater than one year is annualised and performance calculated to the last business day of the month.

The model performance shown is hypothetical and for illustrative purposes only. The performance does not represent the performance of an actual account or investment product and is not the result of any actual trading. Performance does not include brokerage and commissions that may be incurred in the trading of financial products within the model portfolio and actual investment outcomes may vary. The performance figures represent past performance of the model portfolios.

## IMPORTANT INFORMATION

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