

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR ATTENTION.

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

BlackRock Strategic Funds

23 July 2024

To the shareholders of:

BlackRock Strategic Funds – Global Absolute Return Bond Fund

ISINs: LU0783530669, LU0802639707, LU0802640978, LU0884611699, LU0972010309, LU1311313644, LU2331123641, LU1834329234, LU1129992647, LU1129992563, LU0783530743

Dear Shareholder,

We continually review our fund range to ensure that the investment characteristics and positioning of our funds remain both relevant and consistent with the current investment environment and expectations of our clients. After careful consideration, the board of directors (the “**Directors**”) of BlackRock Strategic Funds (the “**Company**”) is writing to notify you that it has decided to terminate the Global Absolute Return Bond Fund (the “**Fund**”) for the reasons set out below. The liquidation will begin as from the date of this letter (the “**Liquidation Starting Date**”) and any outstanding shares will be redeemed on or around 23 September 2024 (the “**Liquidation Effective Date**”).

Terms not defined herein shall have the same meaning as set out in the Company’s prospectus currently in force (available at www.blackrock.com) (the “**Prospectus**”).

1. Background and decision

The Fund was launched in May 2012 and its Net Asset Value (the “**NAV**”) stands at approximately EUR 50.4 million (as of June 2024). Due to the Fund’s inability to raise significant assets, as evidenced by its low Assets Under Management size and given that other related flexible and unconstrained offerings remain higher, the Directors, in consultation with the investment team(s), do not expect to raise significant further subscriptions in the near future and continuing to manage the Fund at this size will result in a higher cost of investing (relative to running the Fund at its intended greater size).

In accordance with the Prospectus and Article 28 of the Articles of the Company, the Directors may determine to terminate a sub-fund of the Company in circumstances where they deem it in the interest of the shareholders. The Directors have therefore determined, in accordance with the Prospectus and the Articles, to liquidate the assets of the Fund (the “**Assets**”) and distribute the redemption proceeds to shareholders.

2. Costs

The Company has made a provision for the Fund closure costs (estimated to be approximately EUR 8,400 of custody transaction costs) which were accrued in the Fund’s NAV on 18th July 2024 to allocate to each shareholder its pro-rata share of such costs.

All (non-custody) portfolio transaction costs incurred as part of the liquidation of the Fund will be incurred by the Fund (meaning that you as a shareholder will bear a proportion of these portfolio transaction costs).

The legal and mailing costs incurred as part of the liquidation of the Fund will be paid by BlackRock.

3. Your options

Further subscriptions to the Fund are not permitted from 18th July 2024. However, we intend to continue to accept outstanding subscriptions from existing regular saver shareholders where such outstanding subscriptions have been agreed with the relevant saver prior to 18th July 2024. This extended period has been determined necessary in order to allow sufficient time for such existing regular savers to effect an orderly exit from the Fund.

Shareholders have 3 options available to them. If option 1 or 2 is chosen, an instruction must be received no later than the Liquidation Effective Date. If option 3 is chosen shareholders do not need to take any action.

Option 1: Switch:

Up until the Liquidation Effective Date and in accordance with the terms of the Prospectus, shareholders may request a switch of their shareholding, free of any charges (other than costs of dilution to either Fund as disclosed in the Prospectus), into the same or another class of any other sub-fund of the Company, provided that the shareholder satisfies the conditions applicable to an investment in the applicable share class. Shareholders should refer to the Prospectus for details of the fees and expenses associated with each share class. Shareholders are reminded that they should seek their own advice as to the suitability of any alternative investment option. Shareholders wanting to switch should do so in accordance with the Prospectus and in advance of the Liquidation Effective Date. If you require further assistance, please contact your local Investor Servicing Team.

Option 2: Redeem in advance of the Liquidation Effective Date

Alternatively, as of the date of this letter and up until the Liquidation Effective Date, shareholders may request the redemption of their shares free of any redemption charges levied by BlackRock.

Option 3: Automatic redemption

If you do not request a redemption or switch of your shares before the Liquidation Effective Date, your shares will be automatically redeemed in accordance with the Articles (copies of which are available from your local Investor Servicing team) on the Liquidation Effective Date.

4. Redemption Proceeds

A contract note and confirmation of any redemption of shares will be sent following the redemption. Redemption proceeds will normally be paid to shareholders by the Company in the relevant reference currency of the Fund or of the share class, in one or several instalments, within the applicable time limit as set forth in the Prospectus. Upon payment of the redemption price, you shall have no further interest in the Fund, or any claim against the Company or its assets in respect thereof. Details of these requirements are available from your local Investor Servicing Team.

The Fund has illiquid Assets, currently less than 0.1% of the NAV, that will be valued at zero within the NAV on 18th July 2024. Any future proceeds arising from the sale of the illiquid Assets will be distributed to shareholders of the Fund in further instalments based on their pro-rata shares of the Fund at the date of the compulsory redemption. The Directors anticipate that any payment arising from the illiquid Assets may take some time, potentially exceeding a nine-month period from the decision of the Directors.

Proceeds not claimed by shareholders at the close of the liquidation of the Fund will be generally deposited at the *Caisse de Consignation de Luxembourg* (Luxembourg Public Trust Office) and shall be forfeited after thirty years.

5. Preparing the Fund for closure

From the date of this letter up to and including the Liquidation Effective Date (the "**Liquidation Period**"), BlackRock will seek to continue to manage the Fund in accordance with its investment objective and policy and in accordance with the UCITS rules as they apply in Luxembourg. However, in seeking to terminate the Fund in shareholders' best interests and to ensure that all investment proceeds are received prior to the Liquidation Effective Date, the Fund may deviate from its investment objective and policy or with the UCITS rules during the Liquidation Period (notably in the days immediately preceding the Liquidation Effective Date) as it may be necessary to begin selling down Assets.

Please also note that if your shareholding in the Fund constitutes a significant holding of the Fund's Assets, we may be required to structure the redemption of your shares in a manner which ensures the fair treatment of remaining shareholders. For example, the Company will not be bound to redeem on any one Dealing Day more than 10% of the value of shares of all share classes of the Fund then in issue or deemed to be in issue, and any redemption orders may be deferred by the Company in accordance with the provisions of the Prospectus.

6. Tax Consequences

Shareholders should note that the redemption or switching of their shareholding into another sub-fund of the Company may represent a disposal of shares for tax purposes in certain jurisdictions. Shareholders may be subject to taxation in their tax domicile and/or in any other jurisdictions in which they are subject to taxation. As tax laws differ widely from country to country, shareholders may wish to consult their personal tax advisers as to the tax implications of the redemption or conversion of their shareholding.

7. General Information

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

If you would like any further information or have any questions regarding this letter, please contact your local Investor Servicing Team.

Yours faithfully



Denise Voss
Chairwoman