

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action to be taken you should consult your stockbroker, bank manager, solicitor, accountant, relationship manager or other professional adviser immediately. This letter is available in languages other than English and copies can be obtained at www.ishares.com or requested by calling 0845 357 7000 (UK number) (please refer to the website for international phone numbers).

23 July 2024

Dear Shareholder

iShares MSCI EM UCITS ETF USD (Acc) a sub-fund of **iShares III plc** (the “Fund”)
ISIN: IE00B4L5YC18

The Directors of iShares plc (the “Company”) wish to advise you that, subject to the approval of the updated Prospectus by the Central Bank of Ireland, the index tracking investment strategy (and therefore the investment policy) of the Fund will be changed (as described below). Once approved by the Central Bank of Ireland, the effective date of this change will be published on an RNS (regulatory news service) announcement (the “Effective Date”).

The change being made will not have a material effect on the manner in which your investment is managed. You are not required to do anything as a result of this notification.

A new version of the Company’s prospectus and Key Investor Information Document (KID) will be published on or around the Effective Date, subject to the approval of the Central Bank of Ireland and will be available on www.ishares.com.

Change of index tracking investment strategy

Currently the Fund follows an optimising (non-replicating) investment strategy. This means that the Fund is not required to hold every issuer in its benchmark index or hold securities of each issuer in proportion to the composition of its benchmark index. The Fund is also permitted to hold securities and issuers which are not constituents of its benchmark index where such securities provide similar performance (with matching risk profile) to certain securities that make up its benchmark index. While using an optimising investment strategy, the Fund is permitted, under regulations to invest only up to 10% of its net asset value in securities issued by the same body (subject to an aggregate maximum of 40% of a fund's net asset value being invested in securities issued by bodies in which a fund invests more than 5% of its net asset value).

It is proposed to change the strategy of the Fund to a replicating investment strategy. This means that the Fund intends to replicate the constituents of its benchmark index by holding all the securities comprising the Benchmark Index in similar proportion to their weightings in the benchmark index. This change will enable the Fund to avail of higher regulatory investment limits available to replicating index funds, which will enable the Fund to track the performance of its benchmark index more closely. However, there may be certain circumstances where it may not always be possible or practicable to purchase each and every constituent in accordance with the weightings of the Benchmark Index. Shareholders should please refer to the Company’s prospectus for further information.

iShares III public limited company

1st Floor, 2 Ballsbridge Park, Ballsbridge, Dublin 4, D04 YW83, Ireland | www.ishares.com

iShares III public limited company

Registered Office: 200 Capital Dock, 79 Sir John Rogerson’s Quay, Dublin 2, D02 RK57, Ireland.

Registered in Ireland under registration number 452278.

Directors: William McKechnie (Chair); Ros O’Shea; Deirdre Somers; Padraig Kenny; Peter Vivian (British).

iShares III plc is an umbrella type open ended investment company with variable capital and having segregated liability between its funds.

By changing to a replicating investment strategy, the Fund is permitted, under regulations to avail of higher investment limits which allow a greater concentration of investment in individual constituents of the benchmark index, specifically a limit of up to 20% of a fund's net asset value in transferable securities issued by the same body. This limit may be increased to invest up to 35% in a single issuer where this is justified by exceptional market conditions, for example, market dominance. Market dominance exists where a particular constituent of the benchmark index has a dominant position in the particular market sector in which it operates and as such accounts for a large proportion of the benchmark index.

As at 5th July 2024, one of the constituents of the Fund's benchmark index, MSCI Emerging Markets Index (the "**Benchmark Index**"), makes up 9.9% of the Benchmark Index. If this constituent was to increase in size beyond 10%, due to the Fund's current non-replicating investment strategy, the Fund would be unable to hold the full weighting of the constituent (being restricted to 10%) which would consequently increase the Fund's tracking error against the performance of the Benchmark Index. Therefore, it is considered to be in the best interests of Shareholders to change the Fund's index tracking investment strategy and avail of higher investment limits (discussed above) to a replicating investment strategy with effect on or around the Effective Date.

During the notice period leading up to the Fund changing from an optimizing to a replicating strategy, in order to manage its investment strategy transition, the Fund will not be selling down its holding of securities in Taiwan Semiconductor Manufacturing to the lower holding limit for an optimizing strategy.

Further details regarding the Benchmark Index (including its constituents) are available on the index provider's website at <https://www.msci.com/constituents>.

Please refer to the Schedule of this letter for details of how the investment policy of the Fund will be amended as a result of this change.

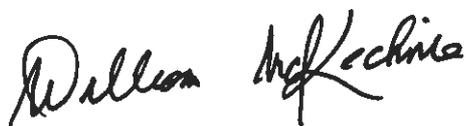
Costs

Any transaction costs incurred by the Fund relating to the change of investment strategy will be borne by the Fund.

Further information

Please contact info@ishares.com if you have any queries concerning the changes to the Company.

Yours faithfully



Director
for and on behalf of iShares III plc

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SCHEDULE

Current Investment Objective and Policy	New Investment Objective and Policy (changes in bold and underlined text)
<p><u>Investment Objective</u> The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Index.</p> <p><u>Investment Policy</u> In order to achieve this investment objective, the investment policy of this Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Emerging Markets Index, this Fund's Benchmark Index. The Fund intends to use optimisation techniques in order to achieve a similar return to the Benchmark Index and it is therefore not expected that the Fund will hold each and every underlying constituent of the Benchmark Index at all times or hold them in the same proportion as their weightings in the Benchmark Index. The Fund may hold some securities which are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. However, from time to time the Fund may hold all constituents of the Benchmark Index. As the Fund is approved by the CMA as a QFI under the QFI Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the QFI Rules and Saudi Capital Markets Law. As approved QFIs are not permitted under the current QFI Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying FDI (e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in FDI, the Fund as a QFI will only be able to invest in FDI that have non-Saudi listed securities as the underlying security.</p>	<p><u>Investment Objective</u> The investment objective of the Fund is to provide investors with a total return, taking into account both capital and income returns, which reflects the return of the MSCI Emerging Markets Index.</p> <p><u>Investment Policy</u> In order to achieve this investment objective, the investment policy of this Fund is to invest in a portfolio of equity securities that as far as possible and practicable consists of the component securities of the MSCI Emerging Markets Index, this Fund's Benchmark Index. <u>The Fund intends to replicate the constituents of the Benchmark Index by holding all the securities comprising the Benchmark Index in a similar proportion to their weightings in the Benchmark Index. In order to replicate its Benchmark Index, this Fund may invest up to 20% of its Net Asset Value in shares issued by the same body. This limit may be raised to 35% for a single issuer when exceptional market conditions apply (as set out in section 4 of Schedule III).</u></p> <p>As the Fund is approved by the CMA as a QFI under the QFI Rules, it can invest in Saudi listed shares on the Saudi Stock Exchange subject to the applicable foreign ownership limits under the QFI Rules and Saudi Capital Markets Law. As approved QFIs are not permitted under the current QFI Rules to also be the ultimate beneficial owners of Saudi-listed securities underlying FDI (e.g. swaps or participation notes) traded through the Saudi swap framework, to the extent the Fund invests in FDI, the Fund as a QFI will only be able to invest in FDI that have non-Saudi listed securities as the underlying security.</p>

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The Base Currency of iShares MSCI EM UCITS ETF USD (Acc) is US Dollar (US\$).

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