BlackRock®

Annual report and audited financial statements

BlackRock Emerging Markets Fund

For the financial year ended 29 February 2020

Contents

General Information

Manager & Registrar
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL

Member of The Investment Association and authorised and regulated by the Financial Conduct Authority ("FCA").

Directors of the Manager
G D Bamping* C L Carter (resigned 17 May 2019) M B Cook W I Cullen* R A R Hayes A M Lawrence L E Watkins (resigned 1 March 2019 and reappointed 7 February 2020) M T Zemek* H N Mepham (appointed 26 November 2019)

Trustee & Custodian
The Bank of New York Mellon (International) Limited
One Canada Square, London E14 5AL

Authorised by the Prudential Regulation Authority and regulated by the FCA and the Prudential Regulation Authority.

Investment Manager
BlackRock Investment Management (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA.

Investment Adviser
BlackRock Financial Management, Inc
55 East 52nd Street, New York, NY 10055, United States

Regulated by the Securities and Exchange Commission.

Stock Lending Agent
BlackRock Advisors (UK) Limited
12 Throgmorton Avenue, London EC2N 2DL

Authorised and regulated by the FCA

Auditor
Ernst & Young LLP
Atria One, 144 Morrison Street, Edinburgh EH3 8EX

BlackRock's proxy voting agent is ISS (Institutional Shareholder Services).

This Report relates to the packaged products of and is issued by:
BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
Telephone: 020 7743 3000
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blackrock.co.uk

For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock Emerging Markets Fund (the "Fund") is a UCITS scheme under the COLL Sourcebook. The Fund was established on 4 August 1993. The Fund was previously known as Mercury Emerging Markets Fund.
On 30 September 2000 the Fund changed its name to Merrill Lynch Emerging Markets Fund. The Fund changed its investment objective on 1 October 2006. The Fund adopted its present name with effect from 28 April 2008. The Fund's FCA product reference number is 162615.

Assessment of value:

The Financial Conduct Authority has introduced new requirements for UK authorised fund managers to consider whether the charges taken from a fund it manages are justified in the context of the overall service and value offered by that fund, and to report on those findings. BlackRock is preparing for the reporting requirement, including assessing relevant charges, and will be publishing the assessment of value statements no later than 31 October 2020 in a composite report for all funds managed by BlackRock subject to these requirements.

Fund Managers

As at 29 February 2020, the Fund Managers of the Fund are Gordon Fraser and Andrew Swan.

Significant Events

Changes in the Directors of the Manager

L E Watkins resigned as a Director effective 1 March 2019 and was reappointed effective 7 February 2020. C L Carter resigned as a Director effective 17 May 2019. H N Mepham was appointed as a Director effective 26 November 2019.

Subsequent Events

Outbreak of COVID-19

An outbreak of an infectious respiratory illness caused by a novel coronavirus known as COVID-19 was first detected in China in December 2019 and has developed into a global pandemic. This coronavirus has resulted in travel restrictions, closed international borders, enhanced health screenings at ports of entry and elsewhere, disruption of and delays in healthcare service preparation and delivery, prolonged quarantines, cancellations, supply chain disruptions, and lower consumer demand, as well as general concern and uncertainty. The impact of COVID-19 has adversely affected the economies of many nations across the entire global economy, individual issuers and capital markets, and could continue with extents that cannot necessarily be foreseen. In addition, the impact of infectious illnesses in emerging market countries may be greater due to generally less established healthcare systems. Public health crises caused by the COVID-19 outbreak may exacerbate other pre-existing political, social and economic risks in certain countries or globally. The duration of the COVID-19 outbreak and its effects cannot be determined with certainty.

Risk and Reward Profile

Unit Class	Lower risk Typically lower rewards						Higher risk Typically higher rewards
A Income	1	2	3	4	5	**6**	7
A Accumulation	1	2	3	4	5	**6**	7
X Accumulation	1	2	3	4	5	**6**	7
D Income	1	2	3	4	5	**6**	7
D Accumulation	1	2	3	4	5	**6**	7
S Accumulation	1	2	3	4	5	**6**	7

- The risk indicator was calculated incorporating historical or simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.
- The use of derivatives will impact the value of the Fund and may expose the Fund to a higher degree of risk. Derivatives are highly sensitive to changes in the value of the asset on which they are based and can increase the size of losses and gains, resulting in greater fluctuations in the value of the Fund. The impact to the Fund can be greater where derivatives are used in an extensive or complex way.

For more information on this, please see the Fund's Key Investor Information Documents ("KIIDs"), which are available at **www.blackrock.com**.

Investment Report

for the year ended 29 February 2020

Investment Objective

The aim of the Fund is to provide a return on your investment (generated through an increase in the value of the assets held by the Fund) (gross of fees) over the long term (5 or more consecutive years beginning at the point of investment), by investing in companies incorporated or listed in emerging markets.

Target benchmark	Investment management approach
MSCI Emerging Markets Index	Active

Performance Summary

The following table compares the realised Fund performance against the performance of the relevant target benchmark during the financial year ended 29 February 2020.

The returns disclosed are the performance returns for the primary unit class for the Fund, net of fees, which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.

	Fund return %	Target benchmark %
Class D Accumulation Units	8.86	2.17

All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and the return of your initial investment amount cannot be guaranteed. Changes in exchange rates may cause the value of an investment to fluctuate. Past performance is not a guide to future performance and should not be the sole factor of consideration when selecting a product.

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index (“ACWI”) (in GBP terms), posted a return of 8.18% for the financial year ended 29 February 2020. World stock markets recorded gains for much of the reporting period, supported by solid, if slowing, economic growth and central bank easing from the US Federal Reserve (the “Fed”) and several other central banks. The de-escalation of the trade conflict between the US and China—one of the chief economic uncertainties in recent years—further boosted markets.

However, the emergence of COVID-19 in January 2020 injected uncertainty into global equity markets, and most of the gains from earlier in the reporting period were reversed. China’s efforts to control the outbreak, which included travel and work restrictions, resulted in lower growth expectations for 2020. Meanwhile, the spread of the virus to other parts of the world raised concerns about the effect of the virus on global growth and corporate earnings.

In global bond markets, however, the increased uncertainty created by COVID-19 led to gains for many bonds, as investors sought out securities traditionally seen as lower volatility in response to the outbreak. Global government and corporate fixed rate securities posted solid returns, as falling interest rates and low inflation boosted most types of bonds. In Europe and Japan, an increase in interest rates by the European Central Bank (“ECB”) and the Bank of Japan, excess liquidity, and institutional demand for bonds led to negative yields for a large portion of both bond markets, while modest inflation and interest rate cuts by the Fed drove strong returns in the US. The demand for less risky assets drove the yield on the 10-year U.S. Treasury, a benchmark lending rate for the bond market, to an all-time low of 1.12% in February 2020. Bond yields decline when bond prices rise. High yield bonds underperformed their investment grade counterparts, as investors anticipated wide ranging economic and market disruptions from COVID-19.

Emerging markets stocks, which tend to be relatively volatile, declined due in part to COVID-19 concerns. As China executed the shutdown of several of its provinces to impede the spread of the disease, many emerging countries in Asia that export to China were also affected by the Chinese shutdown and resulting economic contagion from China, the primary economic engine in the region. Emerging market bonds generally performed in line with other international bonds, although yields rose sharply near the end of the reporting period, as the COVID-19 outbreak led to risk avoidance.

In the commodities market, gold prices rose to a seven-year high amid geopolitical tensions and a move towards less risky assets due to the outbreak of COVID-19. Negative yields in the bond market also increased the relative attractiveness of gold, a zero-yield, price-driven investment that tends to perform well amid global uncertainty. Oil prices fell on demand concerns related to an ongoing slowdown in global manufacturing, uncertainty surrounding the energy-intensive Chinese economy, the failure of the Saudi-Russia negotiations and the sudden outbreak of COVID-19.

Looking at the foreign exchange markets, the performance of the US dollar was mixed, with only modest gains and losses relative to the world's other currencies. The Euro depreciated slightly against the US dollar amid slow economic growth and concerns about the bloc's exposure to global trade disruptions resulting from COVID-19, as well as the potential for political and fiscal fallout in the EU. Sterling, which fluctuated with Brexit uncertainty, ended down slightly against the US dollar. The Swiss franc and Japanese yen, which tend to benefit from global economic uncertainty, both advanced slightly relative to the US dollar.

In terms of economic growth, the US continued to grow faster than most other developed countries. Growth in Europe remained sluggish, slowing to only 0.1% in the fourth quarter of 2019. While overall growth was tepid in Japan, the economy accelerated in the second half of the reporting period, driven by government stimulus and business investment. China, the world's second largest economy, saw growth slow to a pace of approximately 6%, as trade conflict in the early part of the period with the US constrained export growth, as did the COVID-19 outbreak in the latter part of the period.

Sluggish economic conditions and benign inflation set the stage for more accommodative monetary policy, and the Fed lowered interest rates three times from July to October 2019. The ECB also reduced interest rates and revived its bond purchase program in September 2019, while the Bank of Japan continued to try to support growth with stimulus. As COVID-19 became an increasingly serious shock to economic growth, the Fed indicated its willingness to cut interest rates to counteract the economic effects of COVID-19. During the last week of the reporting period, market prices began to decrease due to the possibility that COVID-19 could become a global pandemic, which could require large amounts of economic stimulus from fiscal and monetary policymakers.

Fund Performance Review and Activity

Over the financial year to 29 February 2020, the Fund's active return was 6.69%, outperforming its target benchmark (active return is the difference between the Fund's return and the target benchmark return).

Geopolitically led volatility created opportunities for active managers across the broader Emerging Markets sector over the Fund's fiscal year. Despite US-China trade tensions, a collapse in the Argentine market, and Turkey's offensive into North-Eastern Syria, markets largely gained through the fourth quarter of 2019 on improved sentiment and a turn to risk-assets. So far 2020 has been extremely challenging for risk assets globally, as the length and magnitude of the COVID-19 impact remains uncertain.

Performance was well spread out across the portfolio but stock selection in China, Korea, and Brazil stand out as top contributors to relative returns. Specifically, domestic consumer-related names in China did particularly well as that part of the economy remained resilient, despite external pressures. Korean and Brazilian performance was primarily driven by stock specifics, though in the latter, the broader market was supported by a positive macro backdrop and continued progress on fiscal reforms.

On the other hand, an underweight to Taiwan was the largest detractor to performance as IT hardware names remained resilient as markets sold-off in early 2020. Holdings from the UAE and Argentina were also among the worst performers, the latter of which experienced almost a -50% correction over the summer, following an overwhelming blow to, then president Mauricio Macri's, re-election bid as the nation showed preference for populist candidate Alberto Fernandez in the primaries.

During the financial year the following stocks were the largest contributors to and detractors from the Fund's return relative to the target benchmark:

Largest Contributors		Largest Detractors	
Stock	**Effect on Fund return**	**Stock**	**Effect on Fund return**
Notre Dame Intermedica#	1.60%	TSMC^	-0.80%
Li Ning#	1.30%	Grupo Galicia#	-0.80%
Asymchem Laboratories#	1.10%	NMC Health#	-0.70%
Meituan Dianping#	0.60%	Kunlun Energy#	-0.50%
Sberbank#	0.50%	CBD#	-0.50%

Overweight position - holds more exposure than the benchmark.
^ Underweight position - holds less exposure than the benchmark.

Brazilian healthcare services firm, Intermedica, was the period's top contributor as the stock maintained positive price momentum into year-end following a successful rights offering. Li Ning, the Chinese sportswear manufacturer, was the top performing stock, returning c. 139% for the fund, after maintaining strong top line growth that was well ahead of market expectations.

A persistent underweight in TSMC weighed on relative returns as the stock rallied into year-end following better than expected capex guidance, indicating stronger future demand. Argentine lender, Grupo Galicia, detracted alongside the market following populist, then candidate, Alberto Fernandez's commanding lead in the primary elections.

The following table details the significant active positions, where the Fund is overweight (holds more exposure than the target benchmark) and underweight (holds less exposure than the target benchmark), at 29 February 2020 and 28 February 2019:

Top overweight positions			
29 February 2020		**28 February 2019**	
Country	**Weighting**	**Country**	**Weighting**
Mexico	5.0%	Mexico	2.9%
Russia	2.4%	China	2.2%
Turkey	2.1%	Argentina	2.1%

Top underweight positions			
29 February 2020		28 February 2019	
Country	**Weighting**	**Country**	**Weighting**
Taiwan	-4.3%	South Africa	-4.8%
South Africa	-4.1%	Korea	-4.6%
Saudi Arabia	-2.6%	Malaysia	-2.3%

Where the Fund is underweight to a country, the return from such country will have an opposite effect on the Fund's active return. This may result in a country being listed as a contributor/detractor but not listed on the Fund's Portfolio Statement.

The Fund's exposure to China varied over the year. Early on we shifted the portfolio from a material underweight to an overweight position, on the back of improved liquidity and fiscal support. In the second quarter of 2019 we reduced exposure again on trade escalations, locking in profits in consumer related names, following a strong run of performance. China's HTHT (hotel management) and New Oriental (online education) are examples of strong franchises that have been taking market share as smaller players get squeezed and their respective industries consolidate.

We also reduced exposure to India over the course of 2019, initially to manage risk given a worsening macro environment and uncertainty surrounding presidential elections. Concern over asset quality issues in the non-bank financial sector and its impact on the broader economy resulted in further selling there. Outside of Asia, we increased exposure to Russia over the year on the back of high dividend yields and attractive valuations. In Latin America we reduced exposure to Brazil on the back of strong performance and exited Argentina following the August correction, as our expectations for a continuation of government fell through, increasing uncertainty over the path of economic normalization under the new regime.

Performance Record

Comparative Table

	A Income Units			A Accumulation Units		
	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2018	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2018
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit						
Opening net asset value per unit	451.2	460.9	384.7	495.0	504.6	420.4
Return before operating charges	51.40	(0.88)	84.50	56.46	(1.02)	92.39
Operating charges	(8.46)	(7.80)	(7.52)	(9.28)	(8.54)	(8.22)
Return after operating charges	42.94	(8.68)	76.98	47.18	(9.56)	84.17
Distributions	(3.48)	(1.04)	(0.74)	(3.84)	(1.15)	(0.78)
Retained distributions on accumulation units	N/A	N/A	N/A	3.84	1.15	0.78
Closing net asset value per unit	490.7	451.2	460.9	542.2	495.0	504.6
After direct transaction costs of	(1.54)	(1.54)	(2.27)	(1.69)	(1.68)	(2.48)
Performance						
Return after charges[1]	9.52%	(1.88)%	20.01%	9.53%	(1.89)%	20.02%
Other information						
Closing net asset value (£000's)	4,135	4,064	4,541	88,743	73,556	88,519
Closing number of units	842,648	900,760	985,341	16,367,874	14,858,627	17,543,377
Operating charges[2]	1.72%	1.76%	1.75%	1.72%	1.76%	1.75%
Direct transaction costs[3]	0.31%	0.35%	0.53%	0.31%	0.35%	0.53%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	577.2	493.2	509.1	633.3	539.9	556.4
Lowest bid unit price	445.6	404.2	383.4	488.9	442.5	419.0

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments.
See note 15 for further details.

Performance Record continued

Comparative Table continued

	X Accumulation Units		D Income Units		
	For the year to 29.2.2020	Since inception to 28.2.2019	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2018
	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit					
Opening net asset value per unit	99.19	100.0	451.2	460.9	384.5
Return before operating charges	11.27	(0.73)	51.53	(0.81)	84.69
Operating charges	(0.08)	(0.08)	(4.79)	(4.45)	(4.27)
Return after operating charges	11.19	(0.81)	46.74	(5.26)	80.42
Distributions	(2.50)	(1.51)	(7.19)	(4.41)	(3.98)
Retained distributions on accumulation units	2.50	1.51	N/A	N/A	N/A
Closing net asset value per unit	110.4	99.19	490.8	451.2	460.9
After direct transaction costs of	(0.34)	(0.33)	(1.55)	(1.54)	(2.27)
Performance					
Return after charges[1]	11.28%	(0.81)%	10.36%	(1.14)%	20.92%
Other information					
Closing net asset value (£000's)	19,015	17,857	35,492	18,072	5,793
Closing number of units	17,227,446	18,002,601	7,232,166	4,005,123	1,256,691
Operating charges[2]	0.07%	0.11%	0.97%	1.00%	0.99%
Direct transaction costs[3]	0.31%	0.35%	0.31%	0.35%	0.53%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	122.6	102.6	553.5	471.4	488.0
Lowest bid unit price	98.00	88.10	445.7	406.1	383.6

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments. See note 15 for further details.

Performance Record continued

Comparative Table continued

	D Accumulation Units			S Accumulation Units
	For the year to 29.2.2020	For the year to 28.2.2019	For the year to 28.2.2018	Since inception to 29.2.2020
	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Change in net assets per unit				
Opening net asset value per unit	524.7	530.9	439.0	100.0
Return before operating charges	59.90	(1.03)	96.72	5.07
Operating charges	(5.57)	(5.13)	(4.87)	(0.66)
Return after operating charges	54.33	(6.16)	91.85	4.41
Distributions	(8.36)	(5.06)	(4.54)	(0.76)
Retained distributions on accumulation units	8.36	5.06	4.54	0.76
Closing net asset value per unit	579.0	524.7	530.9	104.4
After direct transaction costs of	(1.80)	(1.78)	(2.60)	(0.24)
Performance				
Return after charges[1]	10.35%	(1.16)%	20.92%	4.41%
Other information				
Closing net asset value (£000's)	176,139	85,712	68,815	49,488
Closing number of units	30,419,481	16,333,892	12,963,315	47,396,538
Operating charges[2]	0.97%	1.00%	0.99%	0.87%
Direct transaction costs[3]	0.31%	0.35%	0.53%	0.44%
Prices	Pence per unit	Pence per unit	Pence per unit	Pence per unit
Highest offer unit price	643.6	542.9	557.1	121.8
Lowest bid unit price	518.4	467.7	438.0	98.96

[1] The return after charges figures are based on the net asset value reported for financial statements purposes and are not the same as the performance returns figures quoted in the Performance Table and the Investment Report which are based on bid-to-bid dealing prices (the price at which units are sold).

[2] Operating charges are annualised and exclude portfolio trade-related costs, except costs paid to the custodian/depositary and entry/exit charges paid to an underlying collective investment scheme (if any).

[3] Direct transaction costs are annualised and principally comprise commissions and taxes, attributable to the Fund's purchase and sale of equity instruments. See note 15 for further details.

Distribution Table

for the year ended 29 February 2020

Final Distribution in Pence per Unit

Group 1 – Units purchased prior to 1 March 2019

Group 2 – Units purchased 1 March 2019 to 29 February 2020

	A Income Units		A Accumulation Units		X Accumulation Units		D Income Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**	**Group 1**	**Group 2**
Net revenue (dividend)	3.4801	1.8064	3.8360	1.0182	2.5021	1.0906	7.1896	0.9789
Equalisation†	–	1.6737	–	2.8178	–	1.4115	–	6.2107
Distribution paid 30.4.2020	**3.4801**	**3.4801**	**3.8360**	**3.8360**	**2.5021**	**2.5021**	**7.1896**	**7.1896**
Distribution paid 30.4.2019	**1.0387**	**1.0387**	**1.1500**	**1.1500**	**1.5134**	**1.5134**	**4.4149**	**4.4149**

	D Accumulation Units		S Accumulation Units	
	Group 1	**Group 2**	**Group 1**	**Group 2**
Net revenue (dividend)	8.3623	3.6417	0.7649	0.0906
Equalisation†	–	4.7206	–	0.6743
Distribution paid 30.4.2020	**8.3623**	**8.3623**	**0.7649**	**0.7649**
Distribution paid 30.4.2019	**5.0558**	**5.0558**	**0.0000**	**0.0000**

† Equalisation applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to holders of these units as a return of capital. Being capital, it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Report on Remuneration

The below disclosures are made in respect of the remuneration policies of the BlackRock group (″BlackRock″), as they apply to BlackRock Fund Managers Limited (the ″Manager″). The disclosures are made in accordance with the Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the council of 23 July 2014, (the "Directive"), the ″Guidelines on sound remuneration policies under the UCITS Directive and AIFMD″ issued by the European Securities and Markets Authority, the Financial Conduct Authority Handbook SYSC 19E: The UCITS Remuneration Code (the "UCITS Remuneration Code"), and COLL 4.5.7 R(7).

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of alternative investment funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive and the UCITS Remuneration Code.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Remuneration Governance

BlackRock's remuneration governance in EMEA operates as a tiered structure which includes: (a) the Management Development and Compensation Committee ("MDCC") (which is the global, independent remuneration committee for BlackRock, Inc. and all of its subsidiaries, including the Manager); and (b) the Manager's board of directors (the "Manager's Board"). These bodies are responsible for the determination of BlackRock's remuneration policies.

(a) MDCC

The MDCC's purposes include:

- providing oversight of:
  - BlackRock's executive compensation programmes;
  - BlackRock's employee benefit plans; and
  - such other compensation plans as may be established by BlackRock from time to time for which the MDCC is deemed as administrator;
- reviewing and discussing the compensation discussion and analysis included in the BlackRock, Inc. annual proxy statement with management and approving the MDCC's report for inclusion in the proxy statement;
- reviewing, assessing and making reports and recommendations to the BlackRock, Inc. board of directors (the "BlackRock, Inc. Board") as appropriate on BlackRock's talent development and succession planning, with the emphasis on performance and succession at the highest management levels; and
- supporting the boards of the Company's EMEA regulated entities in meeting their remuneration-related obligations by overseeing the design and implementation of EMEA remuneration policy in accordance with applicable regulation.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, who has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are “independent” within the meaning of the listing standards of the New York Stock Exchange (NYSE), which requires each meet a “non-employee director” standard.

The MDCC held 8 meetings during 2019. The MDCC charter is available on BlackRock, Inc.’s website (www.blackrock.com).

Through its regular reviews, the MDCC continues to be satisfied with the principles of BlackRock’s compensation policy and approach.

(b) The Manager’s Board

The Manager’s Board has the task of supervising and providing oversight of the UCITS Remuneration Policy as it applies to the Manager and its Identified Staff.

The Manager’s Board (through independent review by the relevant control functions) remains satisfied with the implementation of the UCITS Remuneration Policy as it applies to the Manager and its Identified Staff.

Decision-making process

Remuneration decisions for employees are made once annually in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for remuneration decision-making is tied to financial performance, significant discretion is used to determine individual variable remuneration based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual remuneration amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration awarded to any individual(s) for a particular performance year may also be zero.

Annual incentive awards are paid from a bonus pool.

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock’s financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management’s recommendation as to the percentage of preincentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the “accrual rate”). The accrual rate of the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Enterprise Risk and Regulatory Compliance departments report to the MDCC on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure which is independent of the business units. The head of each control function is either a member of the Global Executive Committee ("GEC"), the global management committee, or has a reporting obligation to the board of directors of BlackRock Group Limited, the parent company of all of BlackRock's EMEA regulated entities, including the Manager.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the MDCC.

Link between pay and performance

There is a clear and well-defined pay-for-performance philosophy and compensation programmes which are designed to meet the following key objectives as detailed below:

- appropriately balance BlackRock's financial results between shareholders and employees;
- attract, retain and motivate employees capable of making significant contributions to the long-term success of the business;
- align the interests of senior employees with those of shareholders by awarding BlackRock Inc.'s stock as a significant part of both annual and long-term incentive awards;
- control fixed costs by ensuring that compensation expense varies with profitability;
- link a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance;
- discourage excessive risk-taking; and
- ensure that client interests are not negatively impacted by remuneration awarded on a short-term, mid-term and/or long-term basis.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but don't pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;

- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business);
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Remuneration practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

BlackRock operates a total compensation model for remuneration which includes a base salary, which is contractual, and a discretionary bonus scheme.

BlackRock operates an annual discretionary bonus scheme. Although all employees are eligible to be considered for a discretionary bonus, there is no contractual obligation to make any award to an employee under its discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in BlackRock, Inc. stock and subject to additional vesting/clawback conditions. Stock awards are subject to further performance adjustment through variation in BlackRock, Inc.'s share price over the vesting period. As total annual compensation increases, a greater portion is deferred into stock. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests into three equal instalments over the three years following grant.

Supplementary to the annual discretionary bonus as described above, equity awards may be made to select individuals to provide greater linkage with future business results. These long-term incentive awards have been established individually to provide meaningful incentive for continued performance over a multi-year period recognising the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of As Adjusted Operating Margin[1] and Organic Revenue Growth[2]. Determination of pay-out will be made based on the firm's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where the firm's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure across market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified Staff

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as Identified Staff, being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes in significant influence function lists;
- changes in role responsibilities; and
- revised regulatory direction.

Quantitative Remuneration Disclosure

The Manager is required under UCITS to make quantitative disclosures of remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) staff who are senior management; and (c) staff who have the ability to materially affect the risk profile of the Fund, including individuals who, although not directly employed by the Manager, are assigned by their employer to carry out services directly for the Manager.

1 As Adjusted Operating Margin: As reported in BlackRock's external filings, reflects adjusted Operating Income divided by Total Revenue net of distribution and servicing expenses and amortisation of deferred sales commissions.

2 Organic Revenue Growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Fund is included in the aggregate figures disclosed.

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. Therefore, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly, the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS-related business in respect of the Manager's financial year ending 31 December 2019 is GBP 21.4 million. This figure is comprised of fixed remuneration of GBP 1.8 million and variable remuneration of GBP 19.6 million. There were a total of 84 beneficiaries of the remuneration described above.

The amount of the aggregate remuneration awarded by the Manager, which has been attributed to the Manager's UCITS-related business in respect of the Manager's financial year ending 31 December 2019, to its senior management was GBP 0.2 million, and to other members of its staff whose actions have a material impact on the risk profile of the Fund was GBP 21.2 million.

Portfolio Statement

at 29 February 2020

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
	AFRICA – 1.03%; 28.2.2019 1.81%		
	EQUITIES – 1.03%; 28.2.2019 1.81%		
	Egypt – 1.03%; 28.2.2019 0.60%		
935,740	Commercial International Bank Egypt	**3,825**	**1.03**
	South Africa – 0.00%; 28.2.2019 1.21%		
	ASIA AND PACIFIC – 59.72%; 28.2.2019 67.03%		
	EQUITIES – 59.72%; 28.2.2019 67.03%		
	China – 25.44%; 28.2.2019 27.02%		
5,492,000	Air China[Ø]	3,459	0.93
120,296	Alibaba	19,596	5.25
1,251,000	Anhui Conch Cement	7,182	1.93
313,500	Asymchem Laboratories Tianjin	6,288	1.69
1,771,190	Beijing New Building Materials	4,999	1.34
5,397,000	China Construction Bank	3,416	0.92
3,378,000	CNOOC	3,618	0.97
22,088	CNOOC[Ø]	2,392	0.64
820,700	ENN Energy[Ø]	7,111	1.91
183,338	Huazhu	4,844	1.30
488,000	Meituan Dianping	4,846	1.30
47,194	New Oriental Education & Technology	4,725	1.27
667,000	Ping An Insurance of China[Ø]	5,803	1.56
426,864	Shenzhen Inovance Technology	1,353	0.36
391,800	Tencent	15,193	4.07
		94,825	**25.44**
	Hong Kong – 4.92%; 28.2.2019 5.55%		
2,094,100	Euro-Asia Agricultural[1]	–	0.00
2,587,000	Geely Automobile[Ø]	3,602	0.97
3,091,000	Hang Lung Properties	5,285	1.42
4,622,000	Kunlun Energy	2,526	0.68
7,788,000	SJM[Ø]	6,893	1.85
		18,306	**4.92**
	India – 7.63%; 28.2.2019 7.62%		
652,107	Axis Bank	4,956	1.33
545,668	HDFC Bank	6,973	1.87
831,491	Jindal Steel & Power	1,373	0.37
1,734,823	Petronet LNG	4,667	1.25
677,250	Tech Mahindra	5,469	1.47
1,935,403	Zee Entertainment Enterprises	5,003	1.34
		28,441	**7.63**
	Indonesia – 2.30%; 28.2.2019 4.16%		
18,319,400	Astra International	5,523	1.48
7,813,500	Bank Mandiri Persero	3,070	0.82
		8,593	**2.30**
	Israel – 0.00%; 28.2.2019 1.50%		
	Macau – 0.00%; 28.2.2019 1.68%		
	Philippines – 1.35%; 28.2.2019 0.00%		
4,413,180	Bank of the Philippine Islands	**5,022**	**1.35**
	South Korea – 8.87%; 28.2.2019 8.96%		
91,604	Coway	4,069	1.09
11,067	NCSoft[Ø]	4,630	1.24
403,945	Samsung Electronics	14,113	3.78
31,446	Samsung SDI	5,980	1.60
76,720	SK Hynix	4,347	1.16
		33,139	**8.87**
	Taiwan – 7.78%; 28.2.2019 8.16%		
3,587,000	Hon Hai Precision Industry	7,438	1.99
48,000	Largan Precision	5,498	1.47
41,643	Silicon Motion Technology	1,212	0.32
1,206,000	Taiwan Semiconductor Manufacturing	9,854	2.64
272,000	Wiwynn	5,071	1.36
		29,073	**7.78**
	Thailand – 1.43%; 28.2.2019 2.38%		
7,393,700	Charoen Pokphand Foods	4,907	1.32
249,200	Land & Houses	52	0.01
1,780,900	Land & Houses	369	0.10
		5,328	**1.43**
	EUROPE – 10.06%; 28.2.2019 6.86%		
	EQUITIES – 10.06%; 28.2.2019 6.86%		
	Italy – 0.96%; 28.2.2019 0.41%		
1,406,200	Prada[Ø]	**3,574**	**0.96**
	Poland – 1.24%; 28.2.2019 1.66%		
265,757	Bank Polska Kasa Opieki	**4,645**	**1.24**
	Russia – 6.05%; 28.2.2019 3.10%		
79,350	Lukoil	5,288	1.42
741,968	Mobile TeleSystems	5,635	1.51
487,436	Mobile TeleSystems	1,829	0.49

Portfolio Statement continued

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
614,468	Sberbank of Russia	6,766	1.81
1,134,360	Sberbank of Russia	3,077	0.82
		22,595	**6.05**
Turkey − 1.81%; 28.2.2019 1.25%			
380,283	Koza Altin Isletmeleri[Ø]	3,478	0.93
258,601	Tupras Turkiye Petrol Rafinerileri[Ø]	3,279	0.88
		6,757	**1.81**
United Kingdom − 0.00%; 28.2.2019 0.44%			
MIDDLE EAST − 0.00%; 28.2.2019 1.33%			
EQUITIES − 0.00%; 28.2.2019 1.33%			
United Arab Emirates − 0.00%; 28.2.2019 1.33%			
NORTH AMERICA − 8.77%; 28.2.2019 8.42%			
EQUITIES − 8.77%; 28.2.2019 8.42%			
Canada − 0.76%; 28.2.2019 0.00%			
104,877	Eldorado Gold	710	0.19
313,878	Eldorado Gold	2,133	0.57
		2,843	**0.76**
Mexico − 6.65%; 28.2.2019 5.53%			
659,261	Fomento Economico Mexicano	4,170	1.12
41,310	Fomento Economico Mexicano	2,634	0.71
468,732	Grupo Aeroportuario del Pacifico	3,947	1.06
32,540	Grupo Aeroportuario del Pacifico	2,761	0.74
1,039,254	Grupo Financiero Banorte	4,413	1.18
3,133,763	Wal-Mart de Mexico	6,868	1.84
		24,793	**6.65**
Panama − 0.69%; 28.2.2019 1.36%			
39,331	Copa	**2,560**	**0.69**
United States of America − 0.67%; 28.2.2019 1.53%			
41,363	FirstCash	**2,494**	**0.67**
SOUTH AMERICA − 5.18%; 28.2.2019 10.48%			
EQUITIES − 5.18%; 28.2.2019 10.48%			
Argentina − 0.00%; 28.2.2019 2.15%			
Brazil − 5.18%; 28.2.2019 8.33%			
386,981	B2W Cia Digital	4,174	1.12
732,242	BB Seguridade Participacoes	4,029	1.08
256,331	Cia Brasileira de Distribuicao	3,208	0.86
69,869	Cia Brasileira de Distribuicao	889	0.24
383,870	Petroleo Brasileiro	3,636	0.97
443,404	Vale	3,409	0.91
		19,345	**5.18**
COLLECTIVE INVESTMENT SCHEMES − 9.82%; 28.2.2019 0.00%			
Short-term Money Market Funds − 9.82%; 28.2.2019 0.00%			
467,700	BlackRock Institutional Cash Series - US Dollar Liquid Environmentally Aware Fund	**36,634**	**9.82**

Holding or Nominal Value	Investment	Underlying Exposure − Derivatives £000's	Market Value £000's	% of Total Net Assets
DERIVATIVES − (0.39%); 28.2.2019 0.11%				
Contracts for differences ("CFDs") Long − (0.20%); 28.2.2019 0.11%				
27,579,000	Bank of China	8,533	(140)	(0.04)
333,375	Commercial International Bank Egypt	1,363	(22)	(0.01)
47,700	Land & Houses	10	(1)	0.00
369,333	Prudential	4,678	(38)	(0.01)
361,300	Tencent	14,010	(530)	(0.14)
		28,594	**(731)**	**(0.20)**
Forward Currency Contracts − (0.01%); 28.2.2019 0.00%				
US$16,703,355	US dollar vs Hong Kong dollar	26,163	(107)	(0.03)
US$6,291,811	US dollar vs South Korean won	9,774	64	0.02
		35,937	**(43)**	**(0.01)**

Portfolio Statement continued

Holding or Nominal Value	Investment	Underlying Exposure − Derivatives £000's	Market Value £000's	% of Total Net Assets
Futures − (0.18%); 28.2.2019 0.00%				
161	MSCI Emerging Markets March 2020	**6,358**	**(677)**	**(0.18)**
Portfolio of investments			**351,341**	**94.19**
CASH EQUIVALENTS				
Short-term Money Market Funds − 0.00%; 28.2.2019 2.64%				
Net other assets			21,671	5.81
Total net assets			**373,012**	**100.00**

Unless otherwise stated, all securities are either listed on a recognised exchange or traded on an eligible securities market.

Underlying exposure has been calculated according to the guidelines issued by the European Securities and Markets Authority ("ESMA") and represents the market value of an equivalent position in the assets underlying each financial derivative instrument.

The CFDs shown on page 20 are expressed at both their mark-to-market and original notional value, which when added together represent the current notional value of the CFDs. The current notional value of a CFD represents the reference amount used to calculate payments between the counterparties to the CFD. The full notional value represents the economic interest in the security underlying the CFD, but does not change hands in full between the counterparties.

The counterparties for the forward currency contracts are Bank of America Merrill Lynch and J.P. Morgan Securities Plc.

[1] Illiquid Security Fair Valued by the Manager.

[Ø] All or a portion of this investment represents a security on loan, see note 2(b) v) for further details.

Statement of Total Return

for the year ended 29 February 2020

	Notes	£000's	For the year to 29.2.2020 £000's	£000's	For the year to 28.2.2019 £000's
Income					
Net capital gains/(losses)	3		16,029		(3,572)
Revenue	4	7,513		3,654	
Expenses	5	(3,270)		(2,136)	
Interest payable and similar charges	6	(326)		(19)	
Net revenue before taxation		3,917		1,499	
Taxation	7	(765)		(301)	
Net revenue after taxation			3,152		1,198
Total return before distributions			19,181		(2,374)
Distributions	8		(3,273)		(1,198)
Change in net assets attributable to unitholders from investment activities			**15,908**		**(3,572)**

Statement of Change in Net Assets Attributable to Unitholders

for the year ended 29 February 2020

	£000's	For the year to 29.2.2020 £000's	£000's	For the year to 28.2.2019 £000's
Opening net assets attributable to unitholders		199,261		167,668
Amounts receivable on issue of units	238,121		82,717	
Amounts payable on cancellation of units	(84,243)		(48,821)	
		153,878		33,896
Change in net assets attributable to unitholders from investment activities		15,908		(3,572)
Retained distribution on accumulation units		3,965		1,269
Closing net assets attributable to unitholders		**373,012**		**199,261**

Balance Sheet

at 29 February 2020

	Notes	29.2.2020 £000's	28.2.2019 £000's
Assets:			
Fixed assets			
– Investment assets		352,856	191,405
Current assets			
– Debtors	9	8,514	1,128
– Cash and bank balances	10	17,687	4,435
– Cash collateral posted		352	–
– Cash equivalents	11	–	5,259
Total assets		**379,409**	**202,227**
Liabilities:			
Investment liabilities		(1,515)	(33)
Creditors			
– Distributions payable		(550)	(186)
– Other creditors	12	(4,332)	(2,747)
Total liabilities		**(6,397)**	**(2,966)**
Net assets attributable to unitholders		**373,012**	**199,261**

G D Bamping (Director)
M T Zemek (Director)
BlackRock Fund Managers Limited
20 May 2020

Notes to Financial Statements

for the year ended 29 February 2020

1. Accounting and Distribution Policies

Accounting Policies

(a) The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (UK GAAP) and the Statement of Recommended Practice for Authorised Funds (the “SORP”) issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017. The financial statements have been prepared on the going concern basis. Please refer to Note 17 for further information on the impact of COVID-19.

(b) Bank interest is recognised on an accruals basis.

Dividends on quoted ordinary shares and preference shares are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established.

Dividend equivalent values on long or short Contracts for Differences (“CFDs”) are recognised when the underlying securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when the right to receive payment is established.

Any reported revenue from an offshore fund with reporting status from HMRC, in excess of any distribution received in the reporting period, is recognised as revenue no later than the date on which the reporting fund makes this information available. The equalisation element is treated as capital.

All revenue is recognised as a gross amount that takes account of any withholding taxes but excludes any other taxes such as attributable tax credits.

Revenue from securities lending is accounted for net of associated costs and is recognised on an accruals basis.

(c) The underlying circumstances behind both special dividends and share buy backs are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Any tax treatment will follow the accounting treatment of the principal amount.

(d) Underwriting commission is wholly recognised as revenue when the issue takes place, except where the Funds are required to take up some or all of the shares underwritten, in which case an appropriate proportion of the commission received is deducted from the cost of those shares.

(e) All expenses, except those relating to the purchase and sale of investments are charged against revenue. All expenses are recognised on an accruals basis.

(f) Provision for corporation tax is made at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. A deferred tax asset is recognised only to the extent that it is considered more likely than not that there will be taxable profits in the future against which the asset can be offset.

(g) The end of the accounting period on the Balance Sheet date is the Valuation point (12 noon) where this is a business day or end of day where this is a non-business day. All investments are valued at their fair value as at the end of the accounting period. In the case of an investment which is not quoted, listed or dealt in on a recognised market, or in respect of which a listed, traded or dealt price or quotation is not available at the time of valuation, the fair value of such investment shall be estimated with care and in good faith by a competent professional person, body, firm or corporation including the Manager’s pricing committee and such fair value shall be determined on the basis of the probable realisation value of the investment. The Manager shall be entitled to adopt an alternative method of valuing any particular asset if it considers that the methods of valuation set out above do not provide a fair valuation of a particular asset or liability.

For Over-the-Counter ("OTC") derivatives including Credit Default Swaps, Currency Swaps, Forward Currency Contracts, Inflation Swaps, Interest Rate Swaps, OTC Options, Swaptions, Synthetic Caps, Total Return Swaps and Volatility Swaps; fair value is determined based on valuation pricing models which take into account relevant market inputs as well as the time values, liquidity and volatility factors underlying the positions. The fair value of exchange traded and over the counter derivatives represents the price that would be required to close out the contracts at the Balance Sheet date. Amounts due to and from an individual counterparty which falls under a legally enforceable master netting agreement are netted.

Investments in dual priced Collective Investment Schemes have been valued at market values, defined as fair value, which is 12 noon where this is a business day or end of day where this is a non-business day at the end of the accounting period, in accordance with the valuation point of the underlying fund. Investments in single priced Collective Investment Schemes have been valued at market values, defined as fair value, which is 12 noon where this is a business day or end of day where this is a non-business day at the end of the accounting period, in accordance with the valuation point of the underlying fund.

(h) Any transactions in foreign currencies are translated into Sterling at the rates of exchange ruling on the date of any such transaction. Assets and liabilities in foreign currencies are translated into Sterling at the exchange rates ruling at the end of the accounting period. Revenue items in foreign currencies are translated into Sterling at the exchange rate when the revenue is received.

(i) Where appropriate, certain permitted financial instruments such as derivatives are used for efficient portfolio management. Where such financial instruments are used to protect or enhance revenue, the revenue and expenses derived therefrom are included in 'Revenue' in the Statement of Total Return. Where such financial instruments are used to protect or enhance capital, the gains and losses derived therefrom are included in 'Net capital gains/(losses)' in the Statement of Total Return.

(j) Cash and bank balances consist of deposits held on call with banks and cash held with clearing brokers and counterparties. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(k) Cash collateral provided by the Funds is identified on the Balance Sheet as pledged cash collateral and is not included as a component of cash and cash equivalents.

For collateral other than cash provided by the Funds, the party to whom the collateral is provided has the right by contract to sell or repledge the collateral but has an obligation to return equivalent securities to the Funds on maturity or sale of the contract. The Funds classify these assets on their Balance Sheet separately from other assets and identifies the asset as pledged investments. Such assets are valued consistently with the accounting policies listed above.

Cash collateral provided to the Funds by counterparties is identified in the Balance Sheet as cash collateral payable. The Funds may reinvest this cash collateral and the assets purchased are included in investment assets or cash equivalents on the Balance Sheet.

For collateral received from counterparties other than cash, a disclosure of the collateral provided is made in the notes to the financial statements.

Distribution Policies

(l) The ordinary element of stock dividends is treated as revenue but does not form part of the distribution.

(m) Special dividends and share buy backs recognised as revenue form part of the distribution.

(n) All of the net revenue available for distribution at the final accounting period end will be distributed to unitholders as a dividend with the balance attributable to accumulation unitholders retained within the Fund. Should expenses and taxation together exceed revenue, there will be no distribution and the shortfall will be met from capital.

2. Financial Instruments and Risks

The Fund's investment activities expose it to the various types of risk which are associated with the financial instruments and markets in which it invests. The following information is not intended to be a comprehensive summary of all risks and investors should refer to the Prospectus for a more detailed discussion of the risks inherent in investing in the Fund.

Risk management framework

The Manager has delegated the day-to-day administration of the investment programme to the Investment Manager. The Investment Manager is also responsible for ensuring that the Fund is managed within the terms of its investment guidelines and limits set out in the Prospectus. The Manager reserves to itself the investment performance, product risk monitoring and oversight and the responsibility for the monitoring and oversight of regulatory and operational risk for the Fund.

The Manager has appointed a risk manager who has responsibility for the daily risk management process with assistance from key risk management personnel of the Investment Manager, including members of the BlackRock Risk and Quantitative Analysis Group ("RQA Group") which is a centralised group which performs an independent risk management function. The RQA Group independently identifies, measures and monitors investment risk. The RQA Group tracks the actual risk management practices being deployed across the different funds. By breaking down the components of the process, the RQA Group has the ability to determine if the appropriate risk management processes are in place for the Fund. This captures the risk management tools employed, how the levels of risk are controlled, ensuring risk/return is considered in portfolio construction and reviewing outcomes.

The principal risk exposure of the Fund is set out as follows:

(a) Market risk

Market risk arises mainly from uncertainty about future values of financial instruments influenced by other price, currency and interest rate movements. It represents the potential loss the Fund may suffer through holding market positions in the face of market movements. The Fund is exposed to market risk by virtue of its investments in equities, collective investment schemes, contracts for differences and forward currency contracts.

A key metric the RQA Group uses to measure market risk is Value-at-Risk ("VaR") which encompasses price, currency and interest rate risk. VaR is a statistical risk measure that estimates the potential portfolio loss from adverse market moves in an ordinary market environment. VaR analysis reflects the interdependencies between risk variables, unlike a traditional sensitivity analysis.

The VaR calculations are based on an adjusted historical simulation model with a confidence level of 99%, a holding period of one day and a historical observation period of not less than one year (250 days). A VaR number is defined at a specified probability and a specified time horizon. A 99% one day VaR means that the expectation is that 99% of the time over a one day period the Fund will lose less than this number in percentage terms. Therefore, higher VaR numbers indicate higher risk.

It is noted that the use of the VaR methodology has limitations, namely that the use of historical market data as a basis for estimating future events does not encompass all possible scenarios, particularly those that are of an extreme nature and that the use of a specified confidence level (e.g. 99%) does not take into account losses that occur beyond this level. There is some probability that the loss could be greater than the VaR amounts. These limitations and the nature of the VaR measure mean that the Fund can neither guarantee that losses will not exceed the VaR amounts indicated, nor that losses in excess of the VaR amounts will not occur more frequently.

The one day VaR as at 29 February 2020 and 28 February 2019 based on a 99% confidence level was 2.72% and 2.88% respectively.

i) Market risk arising from foreign currency risk

Exposure to foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Fund may invest in securities, which may be denominated in currencies other than its reporting currency.

The Fund may also invest in forward currency contracts and thus gain further exposure to foreign currency risk.

Management of foreign currency risk

Foreign currency exposures are managed within parameters utilising forward currency contracts. The details of the contracts in place at the year end are disclosed in the portfolio statement (28 February 2019: Nil).

ii) Market risk arising from other price risk

Exposure to other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial instruments traded in the market. Local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issue, recessions, or other events could have a significant impact on the Fund.

The Fund is exposed to other price risk arising from its investments. The exposure of the Fund to other price risk is the market value of the investments held as shown in the portfolio statement of the Fund.

Management of other price risk

The Investment Manager manages the Fund's other price risk on a daily basis in accordance with the Fund's investment objective.

By diversifying the portfolio, where this is appropriate and consistent with the Fund's objectives, the risk that a price change of a particular investment will have a material impact on the Net Asset Value ("NAV") of the Fund is minimised. The investment concentrations within the portfolio are disclosed in the portfolio statement by investment type.

iii) Market risk arising from interest rate risk

Exposure to interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund is exposed to interest rate risk on its cash and bank balances held at The Bank of New York Mellon (International) Limited, amounts held at futures clearing houses and brokers and its cash equivalent holdings. Cash held on deposit at The Bank of New York Mellon (International) Limited receives/incurs interest at the prevailing daily rate which may be negative depending on the currency in which the cash is held.

Management of interest rate risk

Interest rate risk exposure is managed by constantly monitoring the position for deviations outside a pre-determined tolerance level and, when necessary, rebalancing back to the original desired parameters.

(b) Counterparty credit risk

Exposure to counterparty credit risk

Counterparty credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The Fund is exposed to counterparty credit risk from the parties with which they trade and will bear the risk of settlement default.

Management of counterparty credit risk

Counterparty risk is monitored and managed by BlackRock's RQA Counterparty & Concentration Risk Team. The team is headed by BlackRock's Chief Counterparty Credit Officer who reports directly to the Global Head of RQA. Credit authority resides with the Chief Counterparty Credit Officer and selected team members to whom specific credit authority has been delegated. As such, counterparty approvals may be granted by the Chief Counterparty Credit Officer or by identified RQA Credit Risk Officers who have been formally delegated authority by the Chief Counterparty Credit Officer as deemed appropriate.

BlackRock's RQA Counterparty & Concentration Risk Team completes a formal review of each new counterparty, monitors and reviews all approved counterparties on an ongoing basis and maintains an active oversight of counterparty exposures.

The Manager maintains a list of approved counterparties. This list is regularly monitored and revised for changes based on the counterparty's creditworthiness, market reputation and expectations of future financial performance. Transactions will only be opened with financial intermediaries on the approved counterparties list.

i) Exchange Traded Financial Derivative Instruments

The Fund's holdings in futures contracts expose the Fund to counterparty credit risk.

Management of counterparty credit risk related to futures contracts

The exposure is limited by trading the contracts through a clearing house. The Fund's exposure to counterparty credit risk on contracts in which it currently has a gain position is reduced by such gains received in cash from the counterparty under the daily mark-to market mechanism on exchange traded futures contracts (variation margin). The Fund's exposure to credit risk on contracts in which it currently has a loss position is equal to the amount of margin posted to the counterparty which has not been transferred to the exchange under the daily mark-to-market mechanism. The counterparty for futures contracts is Goldman Sachs International.

Margin is paid or received on futures to cover any exposure by the counterparty or the Fund to each other. Margin receivable from the Fund's clearing brokers and various counterparties is included in "Cash and bank balances" on the Balance Sheet. Margin payable to the Fund's clearing brokers and various counterparties is included in "Amounts held at futures clearing houses and brokers" on the Balance Sheet.

Counterparty exposure has not been disclosed for exchange traded derivatives as the exchange requirements in respect of collateral mean that, in the opinion of the Manager, the counterparty risk is mitigated.

ii) Over-the-Counter ("OTC") Financial Derivative Instruments ("FDIs")

The Fund's holdings in OTC FDIs expose the Fund to counterparty credit risk.

Counterparty credit risk arises from the failure of the counterparty to perform according to the terms of the contract. The Fund's exposure to counterparty credit risk is limited to the contracts in which it currently has a gain position reduced by the cash collateral received from the counterparty or to counterparties which have received collateral from the Fund.

All OTC FDIs are entered into by the Fund under an International Swaps and Derivatives Associations, Inc. Master Agreement ("ISDA Master Agreement") or similar agreement. An ISDA Master Agreement is a bilateral agreement between the Fund and a counterparty that governs OTC FDIs (including total return swaps) entered into by the parties. The parties' exposures under the ISDA Master Agreement are netted and collateralised together, therefore any collateral disclosures provided are in respect of all OTC FDIs entered into by the Fund under the ISDA Master Agreement, not just total return swaps. All collateral received/posted by the Fund under the ISDA Master Agreement is transferred bilaterally under a title transfer arrangement.

Cash held as security by the counterparty to derivative contracts is subject to the credit risk of the counterparty.

The carrying value of financial assets together with cash best represents the Fund's gross maximum exposure to counterparty credit risk at the reporting date, before including the effect of ISDA Master Agreements and close-out netting, which would reduce the overall counterparty credit risk exposure.

The Fund's maximum exposure to counterparty credit risk from holding forward currency contracts will be equal to the notional amount of the currency and any net unrealised gains or losses as disclosed in the portfolio statement.

Management of counterparty credit risk related to OTC FDIs

Forward currency contracts do not require variation margin and thus the counterparty credit risk is monitored through the BlackRock RQA Counterparty & Concentration Risk Team which monitors the creditworthiness of the counterparty. The counterparties for forward currency contracts are disclosed in the portfolio statement.

For CFDs held by the Fund, cash movements take place on a daily basis, above a certain threshold for each counterparty. The risk is further mitigated as contracts are reset on a monthly basis (1 year rolling maturity at each monthly reset) with the gain or loss being realised in the Fund. The Fund is required to maintain collateral with the counterparties to secure these financial instruments.

The lowest credit rating of any one counterparty as at 29 February 2020 was AA- (28 February 2019: A-) (Standard & Poor's rating).

The following tables detail the number of counterparties the Fund is exposed to by OTC FDIs type and the maximum exposure (which is calculated on a net basis) to any one counterparty.

29 February 2020

Counterparty	Contracts for Differences £000's	Forwards £000's	Total Exposure £000's
Bank of America Merrill Lynch	–	(107)	(107)
HSBC Bank Plc	(1)	–	(1)
J.P. Morgan Securities Plc	(730)	64	(666)

28 February 2019

Counterparty	Contracts for Differences £000's	Total Exposure £000's
J.P. Morgan Securities Plc	222	222

iii) Trustee and Custodian

The Fund's Trustee and Custodian is The Bank of New York Mellon (International) Limited (the "Trustee" and "Custodian").

Substantially all of the investments other than FDIs of the Fund are held by the Custodian at year end. Investments are segregated from the assets of the Custodian, with ownership rights remaining with the Fund. Bankruptcy or insolvency of the Custodian may cause the Fund's rights with respect to its investments held by the Custodian to be delayed or limited. The maximum exposure to this risk is the total amount of equity and bond investments disclosed in the portfolio statement.

The Fund will be exposed to the credit risk of the Custodian, or any depositary used by the Trustee regarding cash balances held in accounts with same. In the event of insolvency or bankruptcy of the Custodian or any depositary used by the Trustee, the Fund will be treated as a general creditor of the Trustee.

Management of counterparty credit risk related to the Trustee and Custodian

To mitigate the Fund's credit risk with respect to the Trustee, the Investment Manager of the Fund employs specific procedures to ensure that the Trustee employed is a reputable institution and that the associated credit risk is acceptable to the Fund. The Fund only transacts with counterparties that are regulated entities subject to prudential supervision, or with high credit-ratings assigned by international credit-rating agencies.

The long term credit rating of the parent company of the Trustee and Custodian, The Bank of New York Mellon Corporation, as at 29 February 2020 was AA- (28 February 2019: A) (Standard & Poor's rating).

iv) Counterparties

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

Counterparty credit risk arising on transactions with brokers relates to transactions awaiting settlement. Risk relating to unsettled transactions is considered small due to the short settlement period involved and the high credit quality of the brokers used.

Management of counterparty credit risk related to Counterparties

The Manager monitors the credit rating and financial position of the brokers used to further mitigate this risk.

v) Securities lending

The Fund engages in security lending activities which expose the Fund to counterparty credit risk. The maximum exposure to the Fund is equal to the value of the securities loaned.

Securities lending transactions entered into by the Fund are subject to a written legal agreement between the Fund and the Stock Lending Agent, BlackRock Advisors (UK) Limited, a related party to the Fund, and separately between the Stock Lending Agent and the approved borrowing counterparty. Collateral received in exchange for securities lent is transferred under a title transfer arrangement and is delivered to and held in an account with a tri-party collateral manager in the name of the Trustee on behalf of the Fund. Collateral received is segregated from the assets belonging to the Fund's Trustee or the Stock Lending Agent.

The following table details the value of securities on loan (individually identified in the portfolio statement) and associated collateral received, analysed by borrowing counterparty as at the Balance Sheet date.

Counterparty	Counterparty's country of establishment	29 February 2020 Securities on loan £000's	29 February 2020 Collateral received £000's	28 February 2019 Securities on loan £000's	28 February 2019 Collateral received £000's
Barclays Capital Securities Limited	UK	–	–	293	310
Credit Suisse AG Dublin Branch	Ireland	3,019	3,180	2,977	3,153
Credit Suisse Securities (Europe) Limited	UK	1,869	1,946	–	–
Deutsche Bank AG	Germany	46	50	3,240	3,652
HSBC Bank Plc	UK	2,740	2,959	3,771	3,976
J.P. Morgan Securities Plc	UK	1,870	2,000	–	–
Macquarie Bank Limited	Australia	–	–	1,320	1,662
Merrill Lynch International	UK	2,013	2,217	1,277	1,375
Société Générale SA	France	–	–	598	682
The Bank of Nova Scotia	Canada	–	–	1,240	1,368
UBS AG	Switzerland	5,138	5,603	5,437	6,008
Total		**16,695**	**17,955**	**20,153**	**22,186**

At 29 February 2020, collateral received from these borrowing counterparties comprised of 27.22% in debt securities and 72.78% in equity securities (28 February 2019: 30.72% in debt securities and 69.28% in equity securities).

Collateral accepted is non-cash in the form of sovereign debt rated AA or better from approved governments only, supranational debt obligations rated AAA or better, equity securities and exchange traded funds listed on a recognised exchange.

Management of counterparty credit risk related to securities lending

To mitigate this risk, the Fund receives either cash or securities as collateral equal to a certain percentage in excess of the fair value of the securities loaned. The Investment Manager monitors the fair value of the securities loaned and additional collateral is obtained, if necessary. As at 29 February 2020 and 28 February 2019, all non-cash collateral received consists of securities admitted to or dealt on a recognised exchange.

The Fund also benefits from a borrower default indemnity provided by BlackRock Inc. The indemnity allows for full replacement of securities lent. BlackRock Inc. bears the cost of indemnification against borrower default.

vi) Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

Management of counterparty credit risk related to collateral

The Fund uses inbound collateral received from a counterparty to reduce the credit risk associated with any trading activity the Fund has engaged in.

Cash collateral posted by the Fund is separately identified on the Balance Sheet as cash collateral posted and is not included as a component of cash and cash equivalents. Cash collateral received by the Fund is reflected on the Balance Sheet as cash collateral payable.

As at 29 February 2020 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £352,000 in the form of cash.

As at 28 February 2019 collateral received by the Fund in respect of OTC FDIs was £Nil. Collateral posted by the Fund in respect of OTC FDIs was £Nil

(c) Liquidity risk

Exposure to liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulties in meeting its obligations associated with financial liabilities.

Liquidity risk to the Fund arises from the redemption requests of unitholders and the liquidity of the underlying investments the Fund is invested in. The Fund's unitholders may redeem their units on the close of any daily dealing deadline for cash equal to a proportionate share of the Fund's NAV. The Fund is therefore potentially exposed to the liquidity risk of meeting the unitholders' redemptions and may need to sell assets at prevailing market prices to meet liquidity demands.

The Fund invests primarily in companies established in emerging economies, the securities of which may, in the short term experience lower trading volumes and greater price volatility than securities issued by companies established in developed countries.

All non-derivative financial liabilities including distributions payable held by the Fund as at 29 February 2020 and 28 February 2019, based on contractual maturities, fall due within one to three months.

Management of liquidity risk

Liquidity risk is minimised by holding sufficient liquid investments which can be readily realised to meet liquidity demands.

At times of excessive redemptions the Manager may decide to defer redemptions at any valuation point to the next valuation point where the requested aggregate redemptions exceed 10 per cent of the Fund's NAV. This will therefore allow the Manager to protect the interests of continuing unitholders by allowing the Manager to match the sale of scheme property to the level of redemptions. This should reduce the impact of dilution on the Fund. All unitholders who have sought to redeem units at any valuation point at which redemptions are deferred will be treated consistently and any redemption requests received in the meantime will not be processed until the redemption requests that have been deferred to the subsequent valuation points have been processed.

The Fund's liquidity risk is managed on a daily basis by the Investment Manager in accordance with established policies and procedures in place. The portfolio managers review daily forward looking cash reports which project cash obligations. These reports allow them to manage the Fund's cash obligations.

(d) Valuation of financial instruments

The Fund classifies financial instruments measured at fair value using a fair value hierarchy. The fair value hierarchy has the following categories:

Level 1 − Unadjusted quoted prices for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Fund does not adjust the quoted price for these instruments.

Level 2 − Valuation techniques using observable inputs other than quoted prices in level 1

This category includes instruments valued using quoted prices in active markets for similar instruments; quoted prices for similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Valuation techniques used for non-standardised financial instruments such as OTC derivatives, include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, option pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity determined inputs.

Level 3 − Valuation techniques using significant unobservable inputs

This category includes all instruments where the valuation techniques used include inputs not based on market data and these inputs could have a significant impact on the instrument's valuation.

This category also includes instruments that are valued based on quoted prices for similar instruments where significant entity determined adjustments or assumptions are required to reflect differences between the instruments and instruments for which there is no active market.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement.

Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager. The Investment Manager considers observable inputs to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The table below is an analysis of the Fund's investment assets and investment liabilities measured at fair value at the Balance Sheet date.

	Level 1 £000's	Level 2 £000's	Level 3 £000's	Total £000's
29 February 2020				
Investment assets	312,950	39,906	–*	**352,856**
Investment liabilities	(677)	(838)	–	**(1,515)**
28 February 2019				
Investment assets	191,150	255	–	**191,405**
Investment liabilities	–	(33)	–	**(33)**

* Includes illiquid securities fair valued at zero. These securities are identified on the Fund's Portfolio Statement.

(e) Global exposure

The Manager is required by the COLL Sourcebook to employ a risk management process in respect of the Fund which enables it to accurately monitor and manage the global exposure from Financial Derivative Instruments ("FDIs").

The Manager uses a methodology known as the Commitment Approach in order to measure the global exposure of the Fund. The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDIs to determine the degree of global exposure of the Fund to FDIs. In accordance with the COLL Sourcebook, global exposure for a fund utilising the Commitment Approach must not exceed 100% of the Fund's NAV. The calculation of global exposure represents only one element of the Fund's risk management process and in that respect the Manager will continue to report VaR as a market risk measure to the Board of Directors.

The exposures to FDIs at year end are marked on the Portfolio Statement.

3. Net Capital Gains/(Losses)

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
The net capital gains/(losses) comprise:		
Gains/(losses) on non-derivative securities	15,752	(2,939)
Gains/(losses) on derivative securities	1,559	(617)
Currency (losses)/gains	(1,202)	29
Custodian transaction costs	(80)	(45)
Net capital gains/(losses)	**16,029**	**(3,572)**

4. Revenue

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Interest from UK bank deposits	234	15
Interest on balances held at futures clearing houses and brokers	1	–
Overseas dividends	6,897	3,371
Revenue from Contracts for Differences	168	38
Revenue from short-term money market funds	67	57
Securities lending revenue	99	137
UK dividends	47	36
Total revenue	**7,513**	**3,654**

5. Expenses

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Payable to the Manager or associates of the Manager:		
– Annual service charge^	393	237
– Manager's charge	2,695	1,760
	3,088	1,997
Other expenses:		
– ADR fee#	43	17
– Audit fee	7	7
– Legal and other professional fees	7	11
– Safe custody fees	83	75
– Trustee's fees	42	29
	182	139
Total expenses	**3,270**	**2,136**

^ The 'Annual service charge' was previously referred to as the 'Registrar's fee' - please refer to the prospectus issued on 2 March 2020 for more details.
# ADR ("American Depositary Receipt") fees are fees associated with the creating or releasing of ADRs from ordinary shares, charged by the depositary bank.

6. Interest Payable and Similar Charges

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Finance charges on Contracts for Differences	322	15
Interest on bank overdrafts	4	4
Total interest payable and similar charges	**326**	**19**

7. Taxation

(a) Analysis of tax charge

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Overseas tax	765	301
Total tax charge [see note 7(b)]	**765**	**301**

(b) Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised unit trust. The differences are explained below:

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Net revenue before taxation	3,917	1,499
Corporation tax at 20% (28 February 2019: 20%)	783	300
Effects of:		
Movement in unrecognised excess management expenses	362	250
Overseas tax	626	301
Overseas tax on capital gains	139	–
Prior year adjustment to excess management expenses	–	27
Relief on overseas tax expensed	(30)	(12)
Revenue not subject to tax	(1,115)	(565)
Total tax charge [see note 7(a)]	**765**	**301**

At 28 February 2019, the Fund had surplus management expenses of £22,221,000 (28 February 2019: £20,413,000). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, a deferred tax asset of £4,444,000 (28 February 2019: £4,082,000) has not been recognised.

8. Distributions

	For the year to 29.2.2020 £000's	For the year to 28.2.2019 £000's
Final distribution	4,515	1,455
	4,515	1,455
Add: Amounts deducted on cancellation of units	596	187
Less: Amounts received on issue of units	(1,838)	(444)
Distributions	**3,273**	**1,198**
The distributable amount has been calculated as follows:		
Net revenue after taxation	3,152	1,198
Add: Overseas capital gains tax	139	–
Less: Equalisation on conversions	(18)	–
Distributions	**3,273**	**1,198**

9. Debtors

	29.2.2020 £000's	28.2.2019 £000's
Accrued revenue	439	201
Amounts receivable for issue of units	1,456	753
Overseas tax recoverable	29	–
Sales awaiting settlement	6,590	174
Total debtors	**8,514**	**1,128**

10. Cash and Bank Balances

	29.2.2020 £000's	28.2.2019 £000's
Amount held at futures clearing houses and brokers	986	104
Cash and bank balances	16,701	4,331
Total cash and bank balances	**17,687**	**4,435**

11. Cash Equivalents

	29.2.2020 £000's	28.2.2019 £000's
Investment in short-term money market funds	–	5,259
Total cash equivalents	**–**	**5,259**

12. Other Creditors

	29.2.2020 £000's	28.2.2019 £000's
Accrued Annual service charge^	195	59
Accrued Audit fee	7	7
Accrued CFD financing charges	26	–
Accrued FCA fee	–	1
Accrued Manager's charge	550	431
Accrued Safe custody fees	17	20
Accrued Trustee's fee	7	7
Amounts payable for cancellation of units	1,636	173
Custodian transaction costs	11	2
Overseas capital gains tax provision	139	127
Purchases awaiting settlement	1,744	1,920
Total other creditors	**4,332**	**2,747**

^ The 'Annual service charge' was previously referred to as the 'Registrar's fee' - please refer to the prospectus issued on 2 March 2020 for more details.

13. Contingent Assets and Liabilities

There were no contingent assets or liabilities at the Balance Sheet date (28 February 2019: £Nil).

14. Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The following entities were related parties of the Fund during the year ended 29 February 2020:

Manager/Registrar: BlackRock Fund Managers Limited
Investment Manager: BlackRock Investment Management (UK) Limited
Stock Lending Agent: BlackRock Advisors (UK) Limited

The ultimate holding company of the Manager, Registrar, Investment Manager and Stock Lending Agent is BlackRock Inc. ("BlackRock"), a company incorporated in Delaware, USA. PNC Financial Services Group Inc. ("PNC") is a substantial shareholder in BlackRock Inc. PNC did not provide any services to the Fund during the years ended 29 February 2020 and 28 February 2019.

The Manager acts as either principal or agent for the Trustee in respect of all transactions of units of the Fund. The aggregate monies received through issue and paid through cancellation of units are disclosed in the Statement of Change in Net Assets Attributable to Unitholders and note 8.

The Fund may invest in other Collective Investment Schemes ("CIS"), which may or may not be operated and/or managed by an affiliate of the Manager. As an investor in such other CIS, in addition to the fees, costs and expenses payable by a unitholder in the Fund, each unitholder may also indirectly bear a portion of the fees, costs and expenses of the underlying CIS, including management, investment management and administration and other expenses. However, in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, the Fund will invest, where possible, in classes of the

14. Related Parties continued

underlying funds which are not subject to any management charges. Alternatively, where this is not possible, the Manager will rebate management charges to the Fund. The Fund will not be subject to any preliminary/initial sales fee in respect of investments made in any other investment fund whose manager is an affiliate of the Manager, although it may be subject to duties and charges in respect of subscriptions and redemptions in such investment funds.

As at 29 February 2020 and 28 February 2019 none of the unitholders:

(i) are funds managed by the BlackRock Group or are affiliates of BlackRock Inc. or

(ii) are investors, other than those included in (i) above, who held 51% or more of the voting units in issue in the Fund and are as a result, considered to be a related party to the Fund.

15. Portfolio Transaction Costs

For the year ended 29 February 2020

		Direct Transaction Costs			
Purchases (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Equity instruments	437,644	245	0.06	175	0.04
Total purchases	**437,644**	**245**		**175**	
Total purchases including transaction costs	**438,064**				

		Direct Transaction Costs			
Sales (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Equity instruments	328,241	205	0.06	283	0.09
Total sales	**328,241**	**205**		**283**	
Total sales net of transaction costs	**327,753**				
Derivative transaction costs		**8**		**–**	
Total transaction costs		**458**		**458**	
Total transaction costs as a % of average net assets		**0.16%**		**0.15%**	

15. Portfolio Transaction Costs continued

For the year ended 28 February 2019

		Direct Transaction Costs			
Purchases (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Equity instruments	234,389	133	0.06	125	0.05
Total purchases	**234,389**	**133**		**125**	
Total purchases including transaction costs	**234,647**				

		Direct Transaction Costs			
Sales (excluding derivatives)	**Transaction Value £000's**	**Commissions £000's**	**%**	**Taxes £000's**	**%**
Equity instruments	196,374	121	0.06	190	0.10
Total sales	**196,374**	**121**		**190**	
Total sales net of transaction costs	**196,063**				
Derivative transaction costs		**21**		**5**	
Total transaction costs		**275**		**320**	
Total transaction costs as a % of average net assets		**0.16%**		**0.19%**	

The above analysis covers direct transaction costs incurred by the Fund during the year. However it is important to understand the nature of other transaction costs associated with different investment asset classes and instruments types.

Separately identifiable direct transaction costs (such as commissions and taxes) are attributable to the Fund's purchase and sale of equity instruments. Additionally, for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be incurred on purchase and sale transactions.

During the year the Fund utilised FDIs including CFDs and futures contracts covering different underlying asset classes. The settlement values for opening and closing derivative positions are not comparable to principal values for transactions in direct holding investments and therefore purchase and sale amounts for derivative transactions are not quantified in the analysis above.

Transaction costs for derivatives positions will be either incurred as direct costs or form part of the dealing spread for the instruments. Any direct costs are identified in the analysis above. Dealing spread costs incurred by the Fund vary considerably for the different asset/instrument types depending on a number of factors including transaction value and market sentiment.

At the Balance Sheet date the average portfolio dealing spread (difference between bid and offer prices of all investments expressed as a percentage of the offer price value) was 0.24% (28 February 2019: 0.19%).

16. Units in Issue

The movement in units in issue for the year ended 29 February 2020 is as follows:

	A Income Units	A Accumulation Units	X Accumulation Units	D Income Units
Balance at the beginning of the year	900,760	14,858,627	18,002,601	4,005,123
Issued during the year	81,950	6,170,553	2,033,480	5,672,546
Cancelled during the year	(97,761)	(4,111,531)	(2,808,635)	(1,573,574)
Converted during the year	(42,301)	(549,775)	–	(871,929)
Balance at the end of the year	**842,648**	**16,367,874**	**17,227,446**	**7,232,166**

	D Accumulation Units	S Accumulation Units
Balance at the beginning of the year	16,333,892	–
Issued during the year	21,607,368	–
Cancelled during the year	(8,037,633)	–
Converted during the year	515,854	–
Balance at the end of the year	**30,419,481**	**–**

Revenue is allocated each day pro rata to the capital value of assets attributable to each class and taxation is computed by reference to the net revenue after expenses attributable to each class. The distribution per unit class is given in the distribution table. All unit classes have the same rights on winding up.

17. Post Balance Sheet Events

The Directors have assessed the impact of market conditions arising from the COVID-19 outbreak on the Fund's ability to meet its investment objective. Based on the latest available information, the Fund continues to be managed in line with its investment objective, with no disruption to the operations of the Fund and the publication of net asset values. No investment objectives are expected to be altered as a result of this event, and the Investment Manager will continue to monitor the performance of the Fund on an ongoing basis.

There are no material events that have been identified that may cast significant doubt about the Fund's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The Manager believes that the Fund has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements. From the year end to 12 noon on 15 May 2020, the return on Class D Accumulation, the primary unit class, was -4.51%. Performance returns for the other unit classes in issue can be obtained upon request.

Statement of Manager's Responsibilities

The Manager is required by the rules of the COLL Sourcebook to prepare the financial statements for each financial year. These financial statements must be prepared in accordance with generally accepted accounting standards in the United Kingdom to give a true and fair view of the state of affairs of the Fund at the year end and of the net revenue and net gains for the year.

The financial statements should comply with the disclosure requirements of the Statement of Recommended Practice (the "SORP") for Authorised Funds issued by the Investment Management Association (subsequently The Investment Association) and must comply with any relevant provisions of the Trust Deed.

The Manager is responsible for keeping such accounting records as are necessary to enable it to ensure that the financial statements comply with the COLL Sourcebook, the SORP and the Trust Deed.

Statement of the Trustee's Responsibilities in Respect of the Fund and Report of the Trustee to the Unitholders of the Fund for the Year Ended 29 February 2020

The Depositary in its capacity as Trustee of the Fund must ensure that the Fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

The Trustee must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Fund and its investors.

The Trustee is responsible for the safekeeping of all the custodial assets and maintaining a record of all other assets of the Fund in accordance with the Regulations.

The Trustee must ensure that:

- the Fund's cash flows are properly monitored and that cash of the Fund is booked in cash accounts in accordance with the Regulations;
- the sale, issue, repurchase, redemption and cancellation of units are carried out in accordance with the Regulations;
- the value of units of the Fund are calculated in accordance with the Regulations;
- any consideration relating to transactions in the Fund's assets is remitted to the Fund within the usual time limits
- the Fund's income is applied in accordance with the Regulations; and
- the instructions of the Authorised Fund Manager ("the AFM"), which is the UCITS Management Company, are carried out (unless they conflict with the Regulations).

The Trustee also has a duty to take reasonable care to ensure that the Fund is managed in accordance with the Regulations and the Scheme documents of the Fund in relation to the investment and borrowing powers applicable to the Fund.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee of the Fund, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects the Fund, acting through the AFM:

(a) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Fund's units and the application of the Fund's income in accordance with the Regulations and the Scheme documents of the Fund; and

(b) has observed the investment and borrowing powers and restrictions applicable to the Fund in accordance with the Regulations and the Scheme documents of the Fund.

The Bank of New York Mellon
(International) Limited

London
20 May 2020

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Independent Auditor's Report to the Unitholders of BlackRock Emerging Markets Fund

Opinion

We have audited the financial statements of BlackRock Emerging Markets Fund ("the Fund") for the year ended 29 February 2020 which comprise the Statement of Total Return and Statement of Change in Net Assets Attributable to Unitholders together with the Balance Sheet, the accounting policies of the Fund, the related notes and the Distribution Table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 29 February 2020 and of the net revenue and the net capital gains on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 102 'The Financial Reporting standard applicable in the UK and Republic of Ireland'.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 1 and Note 17 of the financial statements, which describe the market impact the Fund is facing as a result of COVID-19 as well as an estimate of any financial effects on the Fund itself. Our opinion is not modified in respect of this matter.

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Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Manager's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Manager has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the fund's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Trust Deed;
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records.

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Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 43, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to liquidate the fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Use of our report

This report is made solely to the unitholders of the fund, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the unitholders of the fund those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the fund and the unitholders of the fund as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor

Edinburgh
22 May 2020

Supplementary Information

Efficient Portfolio Management Techniques

The Manager may, on behalf of the Fund and subject to the conditions and within the limits laid down by the FCA and the Prospectus, employ techniques and instruments relating to transferable securities, including investments in OTC FDIs provided that such techniques and instruments are used for efficient portfolio management purposes or to provide protection against exchange risk or for direct investment purposes, where applicable.

In addition to the investments in OTC FDIs, the Fund may employ other techniques and instruments relating to transferable securities and money market instruments, subject to the conditions set out in the Fund's Prospectus, as amended from time to time, and the relevant ESMA Guidelines, such as repurchase/reverse repurchase transactions ("repo transactions") and securities lending.

Securities Lending and Contracts for Difference (CFDs)

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and NAV and the value of CFDs as a proportion of the Fund's NAV, as at 29 February 2020 and the returns earned for the year ended 29 February 2020. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction. The value of CFDs is based on the underlying exposure value on a gross absolute basis as disclosed in the Fund's Portfolio Statement.

Securities on loan		CFDs	
% of lendable assets	% of NAV	% of NAV	Returns earned £000's
8.88	4.48	7.67	(154)

The total income earned from securities lending transactions is split between the relevant Fund and the Stock Lending Agent. The Fund receives 62.5% while the Stock Lending Agent receives 37.5% of such income, with all operational costs borne out of the Stock Lending Agent's share. Income earned during the year by the Fund from securities lending transactions is disclosed in the notes to the financial statements.

The following tables detail the underlying exposure value on a gross absolute basis for CFDs, analysed by counterparty as at 29 February 2020.

Counterparty	Counterparty's country of establishment	CFDs Underlying exposure £000's
HSBC Bank Plc	UK	10
J.P. Morgan Securities Plc	UK	28,584
Total		**28,594**

All securities on loan and CFDs have an open maturity tenor as they are recallable or terminable on a daily basis.

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs (including CFDs), as at 29 February 2020.

Currency	Cash collateral received £000's	Cash collateral posted £000's	Non-cash collateral received £000's	Non-cash collateral posted £000's
Securities lending transactions				
CAD	–	–	214	–
CHF	–	–	842	–
CNY	–	–	1,435	–
DKK	–	–	26	–
EUR	–	–	3,618	–
GBP	–	–	1,878	–
HKD	–	–	255	–
JPY	–	–	695	–
NOK	–	–	61	–
SEK	–	–	8	–
SGD	–	–	29	–
USD	–	–	8,894	–
Total	**–**	**–**	**17,955**	**–**
OTC FDIs				
GBP	–	352	–	–
	–	**352**	**–**	**–**
Total	**–**	**352**	**17,955**	**–**

All cash posted as collateral has an open maturity tenor as it's not subject to a contractual maturity date.

Non-cash collateral received by way of title transfer collateral arrangement in relation to securities lending transactions and OTC FDIs cannot be sold, re-invested or pledged.

Supplementary Information continued

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions and OTC FDIs (including CFDs), as at 29 February 2020.

	Maturity Tenor						
Collateral type and quality	1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days	Open transactions	Total
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	1	211	456	492	3,728	–	**4,888**
Equities							
Recognised equity index	–	–	–	–	–	13,002	**13,002**
ETFs							
UCITS	–	–	–	–	–	5	**5**
Non-UCITS	–	–	–	–	–	60	**60**
Total	**1**	**211**	**456**	**492**	**3,728**	**13,067**	**17,955**

Investment grade securities are those issued by an entity with a minimum investment grade credit rating from at least one globally recognised credit rating agency; Standard & Poor's, Moody's or Fitch.

A recognised equity index contains at least 20 equities where no single equity represents more than 20% of the total index and no five equities combined represent more than 60% of the total index.

The maturity tenor analysis for fixed income securities received as collateral is based on the respective contractual maturity date, while for equity securities and ETFs received as collateral are presented as open transactions as they are not subject to a contractual maturity date.

Collateral

The Fund engages in activities which may require collateral to be provided to a counterparty ("collateral posted") or may hold collateral received ("collateral received") from a counterparty.

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs (including CFDs), as at 29 February 2020.

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions and OTC FDIs as at 29 February 2020.

Issuer	Value £000's	% of The Fund's NAV
UBS AG	5,603	1.50
Credit Suisse AG Dublin Branch	3,180	0.85
HSBC Bank Plc	2,959	0.79
Merrill Lynch International	2,217	0.60
J.P. Morgan Securities Plc	2,000	0.54
Credit Suisse Securities (Europe) Limited	1,946	0.52
Deutsche Bank AG	50	0.01
Total	**17,955**	**4.81**

No securities collateral received from a single issuer, in relation to efficient portfolio management and OTC FDIs, has exceeded 20% of the Fund's NAV at the year end date.

The Fund has not been fully collateralised in securities issued or guaranteed by an EU member state at the year end date.

About us

BlackRock is a premier provider of asset management, risk management, and advisory services to institutional, intermediary, and individual clients worldwide. As of 31 March 2020, the firm manages £4.99 trillion across asset classes in separate accounts, mutual funds, other pooled investment vehicles, and the industry-leading iShares® exchange-traded funds.

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