

BlackRock

BlackRock Sustainable American Income Trust plc

Half Yearly Financial Report 30 April 2023



Keeping in touch

We know how important it is to receive up-to-date information about the Company.

To ensure that you are kept abreast, please scan the QR code to the right of this page to visit our website. If you have a smartphone, you can activate the QR code by opening the camera on your device and pointing it at the QR code. This will then open a link to the relevant section on the Company's website. By visiting our website, you will have the opportunity to sign up to our monthly newsletter which includes our latest factsheets and market commentary as well as upcoming events and webinars. Information about how we process personal data is contained in our privacy policy available on our website. Further information about the Company can be found at www.blackrock.com/uk/brsa.

General enquiries about the Company should be directed to the Company Secretary at: cosca@blackrock.com



Use this QR code to take you to the Company's website where you can sign up to monthly insights and factsheets.



Financial highlights

as at 30 April 2023

199.97p

NAV per ordinary share

▼4.4%^{1,2}

1747.35

Reference index¹

▼4.2%¹

193.50p¹

Ordinary share price

►0.0%^{1,2}

£160.4m

Net assets

▼6.2%

4.00p

Total interim dividends per share

4.1%²

Yield

2.00p

Revenue earnings per ordinary share

▲9.9%²

3.2%²

Discount

The above financial highlights are as at 30 April 2023 and percentage comparisons are against 31 October 2022.

¹ Mid market share price, NAV performance and reference index are calculated in Sterling terms with dividends reinvested. The reference index is the Russell 1000 Value Index.

² Alternative Performance Measure, see Glossary on pages 40 to 44.



Within the energy sector, Woodside Energy provides liquefied natural gas through its existing facilities whilst seeking to develop lower- and zero-carbon energy sources.

PHOTO COURTESY OF WOODSIDE ENERGY

Why BlackRock Sustainable American Income Trust plc?

Investment objective and approach

The Company's objective is to provide an attractive level of income together with capital appreciation over the long term in a manner consistent with the principles of sustainable investing adopted by the Company.

To achieve this outcome, we seek to identify dividend-paying companies that are Environmental, Social and Governance (ESG) Leaders, ESG Improvers or Sustainability Enablers¹ that trade at attractive prices.

¹ Please see the section 'About BlackRock Sustainable American Income Trust' in the Annual Report and Financial Statements for the year ended 31 October 2022 for further information on how these categories have been defined.

Reasons to invest



US multi-cap value

The Company offers investors access to a US multi-cap value portfolio with an attractive dividend yield and a sustainable investment approach. We believe targeting companies with quality characteristics, such as clean balance sheets and sustainable cash flows, at reasonable valuations, can potentially deliver attractive and above average risk-adjusted returns over the long term.



Sustainability

The Company seeks to deliver a superior ESG outcome versus the Russell 1000 Value Index (the Company's current reference index), by aiming for the Company's portfolio to achieve a better ESG score than the reference index and a lower carbon emissions intensity relative to the reference index.



Income

The Company offers a consistent income stream with a yield of 4.1%. While capital appreciation is an important component of long-term total return, income can help to serve as a buffer when volatility returns in the market.



Focus on quality

The strategy has generated a record of strong returns through diverse market environments by focusing on companies with strong balance sheets. Dividend payments impose a degree of capital discipline on company management teams and can help compound equity returns over the long term.



Expertise

The Company is managed by BlackRock's US Income & Value Pillar, one of the longest, experienced and highly-skilled investment team in the investment industry.



Closed-end structure

Investment trusts have an independent board of directors elected to protect shareholders' interests and enhance shareholder value. The closed-end structure means the Company does not have to sell assets to meet redemptions and can also retain a proportion of its income to help smooth dividend payments. It can also invest for the long term in a more diverse portfolio of assets.



Gearing

The Company has the ability to employ gearing to enhance returns.



A member of the Association of Investment Companies

Further details about the Company, including the latest Annual and Half Yearly Financial Reports, fact sheets and stock exchange announcements, are available on the website at www.blackrock.com/uk/brsa

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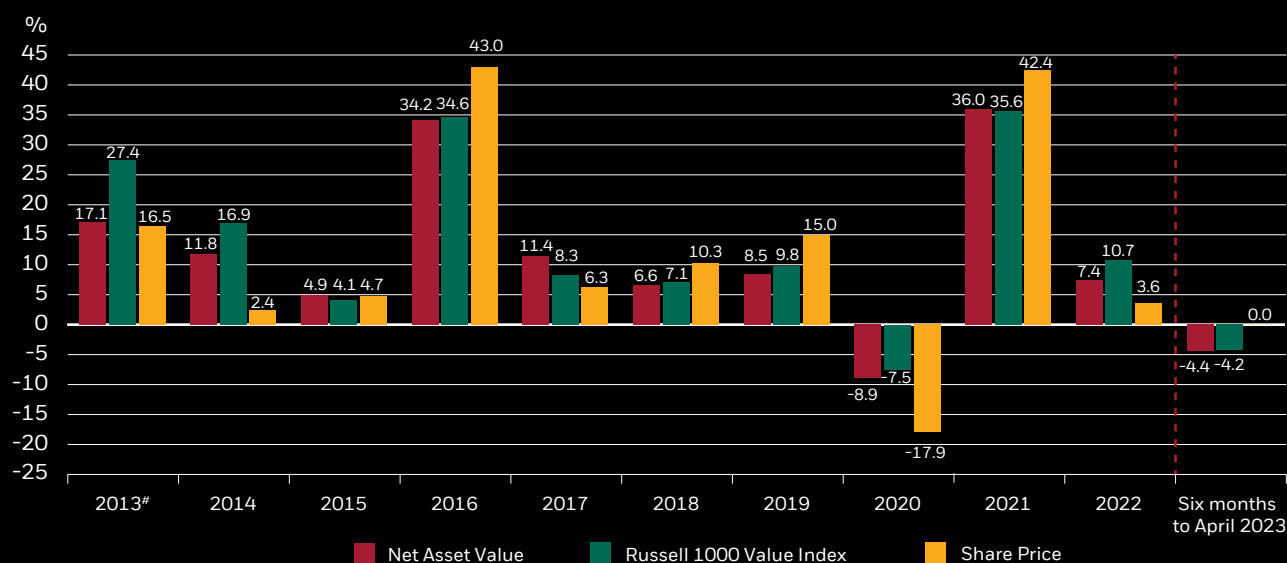
Performance record

	As at 30 April 2023	As at 31 October 2022
Net assets (£'000) ¹	160,431	171,086
Net asset value per ordinary share (pence)	199.97	213.25
Ordinary share price (mid-market) (pence)	193.50	197.50
Discount to cum income net asset value ²	3.2%	7.4%
Russell 1000 Value Index ³	1747.35	1824.64

	For the six months ended 30 April 2023	For the year ended 31 October 2022
Performance (with dividends reinvested)		
Net asset value per share ²	-4.4%	+7.4%
Ordinary share price ²	0.0%	+3.6%
Russell 1000 Value Index	-4.2%	+10.7%

	For the six months ended 30 April 2023	For the six months ended 30 April 2022	Change %
Revenue			
Net profit on ordinary activities after taxation (£'000)	1,604	1,463	+9.6
Revenue earnings per ordinary share (pence) ³	2.00	1.82	+9.9
Interim dividends (pence)			
1st interim	2.00	2.00	–
2nd interim	2.00	2.00	–
Total dividends paid/payable	4.00	4.00	–

Annual performance since launch on 24 October 2012 to 30 April 2023



Since launch on 24 October 2012 to 31 October 2013.

¹ The change in net assets reflects portfolio movements and dividends paid during the period.

² Alternative Performance Measures, see Glossary on pages 40 to 44.

³ Further details are given in the Glossary on page 44.

Sources: BlackRock and Datastream.

Performance figures have been calculated in Sterling terms with dividends reinvested.

Chair's Statement

Dear Shareholder



Alice Ryder
Chair

Market overview

The backdrop to the start of the Company's financial year was a difficult market environment for both equities and bonds. Investors had many issues with which to be concerned, including heightened geopolitical stress with the Russian invasion of Ukraine and a subsequent rise in energy prices, China's zero COVID-19 policies, disrupted supply chains, as well as inflation and soaring interest rates. Heightened inflationary pressures led to central banks hiking interest rates with the most aggressive tightening of monetary policy by the Federal Reserve (the Fed) since the early 1980s.

October and November saw markets stabilise somewhat, as inflation rates appeared to moderate from their multi-decade highs and investors seemed hopeful that the Fed would pause its rate hiking cycle. However, the Fed remained steadfast in its outlook for interest rate hikes and the market sold off in December. An early year stock rally proved short-lived, as the strength of the US labour market and its impact on the outlook for future inflation readings, led the Fed to increase interest rates again.

The collapse of Silicon Valley Bank in mid-March, followed by two other regional banks, caused significant volatility in the financial sector and highlighted the dangers caused by rapid monetary tightening. These failures bear little resemblance to those in the 2008 financial crisis and the problems were unique to these banks rather than systemic. However, central banks are now in a more difficult position, weighing persistently high inflation on the one hand, against strains in the banking sector on the other.

Performance

In the six-months under review to 30 April 2023, the Company's net asset value per share (NAV) fell by 4.4%, marginally underperforming its reference index, the Russell 1000 Value Index, which returned -4.2%. Over the same period, your Company's share price remained flat at 0.0% (all figures are in Sterling terms with dividends reinvested). As a broader comparison, the S&P 500 Index fell by 0.5% during the same period.

Since the period end and up to close of business on 26 June 2023, the Company's NAV has decreased by 1.1% and the share price has fallen by 5.2% (both percentages in Sterling terms with dividends reinvested).

Earnings and dividends

The Company's earnings per share for the six months ended 30 April 2023 amounted to 2.00p compared with 1.82p for the corresponding period in 2022. Your Board considers that the current policy of quarterly dividends of 2.00p per share is of great value in an environment of soaring inflation and a challenging economic backdrop, which will be supported through both revenue and other distributable reserves.

On 21 March 2023, the Board declared the first quarterly dividend of 2.00p per share which was paid on 28 April 2023. A second quarterly dividend of 2.00p per share has been declared and will be paid on 3 July 2023 to shareholders on the register on 19 May 2023. These are in line with payments made in prior years.

Management of share rating

The Board monitors the Company's share rating closely and recognises the importance to shareholders that the Company's shares do not trade at either a significant premium or discount to the underlying NAV. Therefore, where deemed to be in shareholders' long-term interests, it may exercise its powers to issue shares or buy back shares with the objective of ensuring that an excessive premium or discount does not arise.

During the six months to 30 April 2023, the Company's share price discount/premium to NAV ranged between a premium of 0.7% and discount of 7.8%. The Company's discount as at close of business on 26 June 2023 stood at 7.2%. During the period and up to the date of this report, no ordinary shares have been reissued or bought back. The Board will continue to use its authorities to issue and buy back shares when it considers it is in shareholders' interests to do so.

Board composition

Following the retirement of Christopher Casey, we were delighted to welcome Solomon Soqar to the Board. Solomon was appointed following the Annual General Meeting on 21 March 2023 and has a long and deep experience of over 30 years across investment banking, capital markets and wealth management.

Solomon has worked with several major financial institutions, including Goldman Sachs, Bankers Trust, Merrill Lynch, Citi and Barclays. His most recent executive role has been as CEO of Barclays Investments Solutions Limited. Over the last few years, Solomon has developed a portfolio of roles, including non-executive director of Ruffer Investment Company Limited, chair of Africa Research Excellence Fund and business fellow of Oxford University, Smith School of Economics and Enterprise.

Outlook

Economic outcomes for the US for 2023, much like the rest of the developed world, will be dominated by monetary policy efforts to bring inflation down. The Fed will continue to focus on reducing inflation to its stated target of 2%, but inflation has remained stubbornly elevated due to the tight labour market and rise in disposable incomes. Growth is likely to be muted both in the US and globally, with few exceptions. Geopolitical risks also remain due to the war in Ukraine, and it is not clear how China's shift away from its zero-COVID-19 policy will impact the global economy.

The current monetary tightening cycle is historic and leaves a narrow path for the economy to escape without a period of recession. Strong household and corporate balance sheets are likely to limit the downturn to a mild recession, but any recession will be a headwind for equity markets as earnings and economic indicators deteriorate. Against this backdrop, your portfolio managers will stay disciplined and continue to focus on companies with solid balance sheets, positive free cash flow and the ability to maintain their earnings growth throughout market cycles.

Alice Ryder

Chair

28 June 2023

Investment Manager's Report



Tony DeSpirito



David Zhao



Lisa Yang

Market overview

Over the six months to 30 April 2023, the Company's NAV returned -4.4% and the share price returned 0.0%. This compares with a return of -4.2% in the Russell 1000 Value Index (all percentages in Sterling terms with dividends reinvested). Over the same period, US large cap stocks, as represented by the S&P 500 Index, advanced by 8.6% in US Dollar terms. In Sterling terms, US stocks returned -0.5% for the performance period.

The Company underperformed during the period as artificial intelligence began to penetrate equity markets and growth outperformed value. Given the lack of breadth in the market and certain stocks making a strong resurgence, the Company was negatively impacted as we could not own these stocks based on portfolio parameters. The following discussion highlights some of the key market events during the period.

US equities rallied in the fourth quarter of 2022 as inflation pressures continued to ease. Both October and November's Consumer Price Index prints surprised to the downside, despite persistence in stickier components of the index that have proven harder to address with monetary policy. By December 2022, disappointing economic data and a hawkish Federal Reserve (Fed) led the S&P 500 Index to finish the final quarter of the year with only modest gains. Despite central bank policy efforts, weakening housing data and disappointing economic data, inflation remained firmly embedded in the US economy. This backdrop, combined with anticipation of further rate hikes to come in 2023, fuelled recessionary fears and weighed on market sentiment.

For the first two months of 2023, US equities rallied broadly as the market continued to digest unexpectedly strong economic data and weakening headline inflation, which fell to 6.0% in February 2023. By March, we saw the first real economic ramifications from the Fed's tightening cycle as regulators announced the government rescue of depositors at Silicon Valley Bank (SVB). Shortly

after, Signature Bank, another regional bank based out of New York, also collapsed in the wake of SVB's failure. While this initially sent shockwaves through the market, US equities eventually stabilised. Concerns around the banking sector remain reasonably contained for the time being. By April, the S&P 500 Index finished higher as investors continue to anticipate an end to the Fed's rate-hiking cycle.

Portfolio overview

The largest contributor to relative performance was stock selection in health care. Within the sector, our stock selection within the pharmaceuticals industry accounted for the majority of relative outperformance in this sector. In utilities, stock selection and a modest overweight allocation to the multi-utilities industry boosted relative returns. Furthermore, stock selection in financials proved beneficial mainly due to stock selection within the insurance industry.

The largest detractor from relative performance was stock selection and allocation decisions in communication services. Having no exposure to the interactive media & services industry accounted for the majority of relative underperformance. In information technology (IT), both stock selection and allocation decisions within the IT services industry proved detrimental, as did our decision to not invest in semiconductors & semiconductor equipment companies. Other modest detractors from relative results included allocation decisions within industrials and stock selection in the aerospace & defence industry.

Below is a comprehensive overview of our allocations (in Sterling) at the end of the period.

Health Care: 4.8% overweight (21.3% of the portfolio)

Secular growth opportunities in health care are a byproduct of demographic trends. Older populations spend more on health care than younger populations. In the US, a combination of greater demand for health care services and rising costs facilitates a need for increased efficiency within the health care ecosystem. We believe innovation and strong cost control can work together to address this need and companies that can contribute to this outcome may be poised to benefit. On the innovation front we are finding opportunities in pharmaceuticals and among companies in the health care equipment & supplies industry. We prefer to invest in pharma companies with a proven ability to generate high research & development (R&D) productivity versus those that focus on one or two key drugs and rely upon raising their prices to drive growth. Outside of pharma, our search for attractively priced innovators is more stock specific; we recently initiated a position in Baxter International, (2.9% of the portfolio), a health care company focused on products to treat kidney disease and other chronic medical conditions. We believe the company is poised to do well as margin pressures from temporary inflation (logistics and shipping) suppress and the economy continues to reopen. From a cost perspective, health maintenance organisations (HMOs) have an economic incentive to drive down costs as they provide health insurance coverage to constituents. These efforts ultimately help to make health care insurance affordable to more people and the HMOs also play a substantial role in improving the access to and quality of health care its members receive. Fundamentally, we believe our holdings in the space can benefit from downward pressure on cost-trend, new membership growth and further industry consolidation over time. Furthermore, they trade at meaningfully discounted valuations versus peers, offering us an attractive risk versus reward opportunity.

Information Technology (IT): 7.2% overweight (14.6% of the portfolio)

An increasing number of companies in the technology sector are what we refer to as "industrial tech". These firms are competitively insulated from disruptors, well-positioned to take advantage of long-term secular tailwinds and exhibit growth in earnings and free cash flow (FCF). Strong earnings growth and FCF generation is also translating to an increasing number of companies paying growing dividends to shareholders. This is in stark contrast to the dot-com era where growth was often prioritised over shareholder return. We believe this trend is poised to continue. Our preferred exposures in the sector include IT services and communications equipment companies with sticky revenue streams such as Cognizant Technology Solutions (2.6% of the portfolio) and Cisco Systems (2.7% of the portfolio). We also continue to invest in software companies with capital-lite business models such as Microsoft (2.8% of the portfolio). IT broadly scores well on ESG metrics given the generally lower environmental impact than other sectors, with our selection of companies including a mix of ESG leaders and ESG improvers.

Financials: 1.0% underweight (19.3% of the portfolio)

Financials represent our portfolio's largest absolute sector allocation and we prefer companies in the banking, insurance and wealth management industries. We believe the US banks offer investors a combination of strong balance sheets (their capital levels are meaningfully higher post financial crisis), attractive valuations and the potential for relative upside versus the broader market from inflation and higher interest rates. Secondly, we continue to like insurers and insurance brokers as these

companies operate relatively stable businesses and trade at attractive valuations. We categorise most of our holdings in this space as ESG improvers, with opportunities for company managements to enact stronger corporate governance and human capital development policies. Lastly, we have also identified stock specific investments in wealth management as companies such as Charles Schwab (0.6% of the portfolio) stand out from peers due to their differentiated investment platforms, proximity to end customers and runways for long-term growth.

Consumer Discretionary: 4.0% overweight (9.9% of the portfolio)

Within the sector, our preferred areas of investment include household durables, textiles and apparel, and firms with auto-related exposure. Disruption risks persist in the sector and we believe these risks are best mitigated through identifying stock-specific investment opportunities that either trade at discounted valuations or have business models that are somewhat insulated from disruptive pressures. For example, we believe companies such as General Motors (autos; 1.7% of the portfolio) and Ralph Lauren (apparel; 0.7% of the portfolio) offer investors exposure to underappreciated franchises at discounted valuations. From a sustainability standpoint, our selection of companies includes a mix of ESG leaders such as Panasonic (2.0% of the portfolio), as well as ESG improvers with clear roadmaps for better ESG adherence and disclosures (i.e. General Motors' commitment to electric vehicles and Ralph Lauren's Global Citizen initiative).

Consumer Staples: 1.2% underweight (6.5% of the portfolio)

The consumer staples sector is a common destination for the conservative equity income investor. Historically, many of these companies have offered investors recognisable brands, diverse revenue streams, exposure to growing end markets and the ability to garner pricing power. These characteristics, in turn, have translated into strong and often stable free cash flow and growing dividends for shareholders. Notable portfolio holdings include Mondelez International (2.3% of the portfolio) and Kraft Heinz (2.3% of the portfolio). We view each of these businesses as ESG leaders and improvers: Mondelez International stands out for securing GFSI (Global Food Safety Initiative)-benchmarked certification for their manufacturing sites which provides audits of suppliers and routine tests for final products limiting product and reputational risks. Kraft Heinz is an ESG improver as they have committed to a 50% reduction in GHG (greenhouse gas) emissions across all 3 scopes by 2030 and net zero by 2050.

Energy: 0.5% overweight (8.6% of the portfolio)

The portfolio currently invests in five energy stocks and we have a neutral weight in the sector relative to the reference index. Our focus on sustainability places a high hurdle for energy companies to be included in the portfolio, but we believe the sector remains investable, as more traditional oil and gas operators are critical in the energy transition towards less carbon intensive sources. For example, natural gas is 40-60% less carbon-intensive to produce and combust versus coal and oil. We view natural gas as a key "bridge fuel" and like companies such as Shell (2.8% of the portfolio) and EQT (1.3% of the portfolio). Fundamentally, we generally seek to invest in attractively priced operators with good resource assets that have the opportunity to improve upon environmental issues or demonstrate clear leadership in sustainability (i.e. through their exposure to renewables or commitments to net zero/carbon neutral outcomes). We also prefer to target companies with experienced management teams, low financial leverage and disciplined capex spending plans, as these elements can contribute to positive free cash flow generation over time.

Materials: 0.7% underweight (3.7% of the portfolio)

Our exposure to the materials sector is stock specific as we are only invested in the chemicals and containers and packaging industries. Within the chemicals industry, we have a position in PPG Industries (2.2% of the portfolio), a global supplier of paints, coatings and specialty materials. We believe PPG Industries' improving cost dynamics will lead to better earnings and the company will regain its "quality compounder" status as volumes continue to recover from pandemic-related headwinds. Within the containers & packaging industry, our position in Sealed Air (1.5% of the portfolio) offers a relatively stable growth outlook. Sealed Air operates a high return business and has good pricing power. From a sustainability standpoint, plastic packagers generally score poorly on waste and water stress. The key issue for plastic is how to improve circularity and management has pledged to have 100% recyclable/reusable solutions and 50% average recycled/renewable content by 2025, which is well ahead of peers.

Utilities: 1.5% underweight (4.1% of the portfolio)

The portfolio currently invests in only two utility stocks and we have a slight underweight in the sector relative to the reference index. Portfolio exposures are stock specific as we are finding pockets of investment opportunity among US regulated utilities, which add a level of stability and defensiveness to the portfolio through their durable earnings and dividend profiles. Our investments in the sector primarily focus on ESG leaders that have specific targets for reduction in carbon emissions and maintain significant exposure to renewables or generate power through cleaner means such as natural gas.

Real Estate: 3.0% underweight (1.5% of the portfolio)

The portfolio has an underweight allocation to real estate, as we are finding few companies in the sector with both attractive valuations and strong or improving fundamentals. For example, retail REITs are facing challenges due to e-commerce and its negative impact on traditional brick and mortar retailers. Meanwhile, data center and logistics companies have strong fundamentals, but we view their valuations as unattractive. Our lone portfolio holding is CBRE Group (1.5% of the portfolio), the world's largest commercial real estate services firm. The company is trading at a wide discount relative to peers and ranks well on ESG metrics versus peers. CBRE Group signed the Climate Pledge in 2021 to reach net zero by 2040.

Communication Services: 4.4% underweight (4.4% of the portfolio)

The portfolio has an underweight to communication services. Our underweight is driven by expensive valuations and a lack of dividend payers in the entertainment and interactive media & services industries. Meanwhile, the portfolio is overweight to the diversified telecom services and media industries. Notable portfolio holdings include Verizon Communications (diversified telecom; 2.6% of the portfolio) and Comcast (media; 1.8% of the portfolio). Verizon Communications trades at a reasonable price relative to the quality and stability of its business and acts as a key enabler for smart cities, with potential to reduce energy consumption, increase safety and provide other social benefits. Comcast also trades at a very reasonable valuation due to competition in broadband and in media. As the leading broadband provider in the US, Comcast is a key enabler of digital interactions and provides some of the key infra-structure that enables remote work (which reduces commuting related emissions).

Industrials: 4.7% underweight (6.1% of the portfolio)

The portfolio is meaningfully underweight to the industrials sector. Our selectivity is driven by relative valuations, which we view as expensive, in many cases, versus other cyclical value segments of the US equity market. Notable positions include Union Pacific, one of two Class 1 freight railroads operating on the US West Coast (2.3% of the portfolio), and Komatsu (1.9% of the portfolio), a Japanese manufacturer of construction and mining equipment. We view both companies as ESG leaders in their respective domains. Union Pacific has the best physical footprint among US railroads and requires less public infrastructure spending compared to trucking. Additionally, railroads emit circa 1/3 as much CO₂ as trucks to move an equivalent amount of cargo. Komatsu has set meaningful targets for reduced CO₂ emissions from its products by 2030 and to achieve carbon neutrality by 2050.

Market outlook

The start of 2023 finally showed the effects of the fastest Fed tightening cycle since 1980. The bank closures of Silicon Valley Bank, Signature Bank and First Republic Bank illustrated the increased challenges of operating in a high inflation, high interest rate economy and the fallout in our view is unlikely to change that. With regional banks remaining under pressure, we see consumer lending continuing to slow, which may further tighten financial conditions. Investors should remain mindful that we are only just over a year removed from the first Fed rate hike, meaning financial conditions were already set to tighten before March's banking events. From a market perspective, this may create additional volatility if we see more negative outcomes related to a sluggish US economy. Despite a more challenging macro environment, we do not see the Fed cutting rates this year as core inflation proves to be resilient. We feel the Fed should prioritise curbing inflation as a premature interest rate cut could create additional economic challenges. Looking ahead, we continue to focus on resiliency by investing in high-quality businesses with strong fundamentals as we look for the economy to stabilise. While we see short-term choppiness ahead, we remain constructive of US equities in the long term.

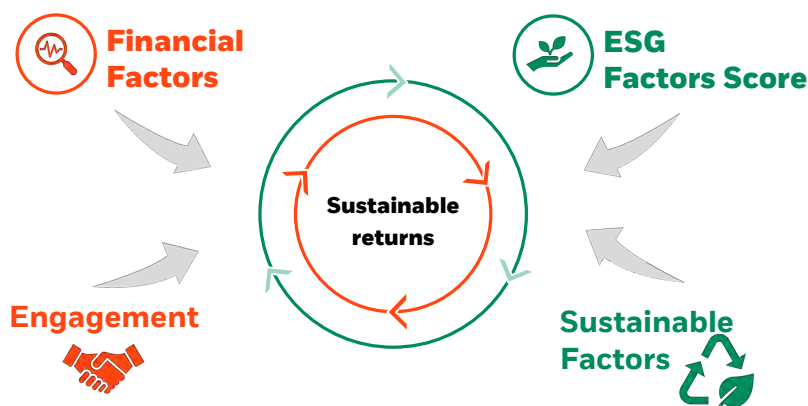
Tony DeSpirito, David Zhao and Lisa Yang
BlackRock Investment Management LLC
28 June 2023

Sustainable and Responsible Investing

The Board believes that responsible investment and sustainability are integral to the longer-term delivery of the Company's success. The Board works closely with the Investment Manager to review the Company's performance, investment objective and underlying policies to ensure that the Company's investment objective continues to be met in an effective, responsible and sustainable way in the interests of shareholders and future investors.

Core Sustainable Philosophy

We believe that allocating capital to companies with Sustainable business models generates better risk-adjusted returns



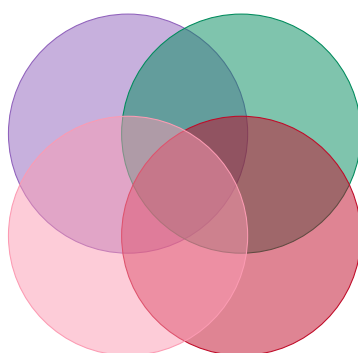
Sustainable business models focus on all their stakeholders and align their interest with common goals

The Investment Manager's ESG investment framework includes four key elements: pursuit of alpha generation, a premium ESG score, company engagement and low carbon. More details are provided below.

ESG Investment Framework

Alpha Generation
Aiming to deliver Alpha¹ through fundamental high-conviction investing

Engagement
Multi-year engagement to understand investee companies' approach to material business risks and opportunities, including ESG.



Premium ESG
Investing in companies with strong and/or improving ESG practices in seeking to achieve a better ESG score versus the reference index.

Low Carbon
Carbon intensity below the reference index

For illustrative purposes only. ¹Alpha is a term used in investing to describe an investment strategy's ability to exceed the performance of its benchmark over time.

Key Sustainability Characteristics of the Company

Portfolio Characteristics	
ESG	<ul style="list-style-type: none"> • Premium MSCI Adjusted ESG Score versus reference index • ESG screens (including but not limited to): <ul style="list-style-type: none"> – UN Global Compact Violators – Controversial Weapons – Civilian Firearms – Fossil Fuels (Thermal Coal and Tar Sands) – Tobacco
Climate	<ul style="list-style-type: none"> • Scope 1 and 2 Carbon Emissions Intensity lower than the reference index (tons of CO₂ equivalents per \$ sales)
Engagement	<ul style="list-style-type: none"> • Partner with the BlackRock Investment Stewardship and Corporate Access teams to engage with portfolio companies on key ESG issues
Performance	<ul style="list-style-type: none"> • High conviction portfolio (approximately 30-60 stocks) that aims to provide an attractive level of income and long-term outperformance versus the reference index

Investment case studies

ESG Leader* - Laboratory Corporation of America

Laboratory Corporation of America, commonly known as LabCorp, operates in two segments including a low-cost, high quality national provider of laboratory services and a contract research organisation, which supports clinical research through administering trials and lab testing. LabCorp is able to offer high quality service at a materially lower cost due to scale. The portfolio managers believe the company's drug development business is underearning peers, which allows management to drive cost savings and continue to grow earnings.

The portfolio managers believe that through cost cutting opportunities, LabCorp possess the ability to continue to be a low-cost testing & drug development provider and continue its role as an ESG leader in the industry. Diagnostic testing is essential to positive health outcomes, as it is involved in over 90% of health care decisions, which makes LabCorp's role essential to broad accessibility of quality health care solutions. The company also plays a critical role in the long-term development of treatments for rare diseases through its diagnostic business and contract research organisation which supports the recruitment for clinical trials. In our view, the company will continue to play a large role in improving the access to proper health care solutions.

ESG Leader* - Microsoft Corporation

Microsoft is a software company with strong market positions across multiple segments. The company's Cloud business, Azure, is the world's #2 public cloud provider, which drives about 36% of revenue. Their productivity and business processes through Microsoft Office drive about 32% of revenue and their personal computing segment, such as Windows, Gaming, and Surface drive about 32% of revenue. The portfolio managers believe Microsoft's competitive advantage and cloud transition can lead to high revenue and profit growth. Additionally, the portfolio managers consider the company's valuation to be reasonable given the long growth opportunities. From a sustainability standpoint, Microsoft invests heavily in carbon-neutral data centers powered by renewable energy sources. Furthermore, the public cloud provides more energy efficient compute and storage capabilities to enterprise and SMBs (small and mid-size businesses) versus sub-scale data centers.

ESG Leader* - Public Service Enterprise Group

Public Service Enterprise Group (PEG) is New Jersey's largest electric and gas distribution utility with the regulated business accounting for about 82% of earnings. The company maintains a long-term focus on their regulated utility growth to improve business mix and enhance their environmental, social, and governance profile. The portfolio managers believe PEG's regulated utility business can garner a higher multiple once the company's fossil generating fleet is divested. The company has limited financing risk compared to other utilities, as PEG does not need to issue equity to fund its capital plans through 2025. In terms of sustainability, PEG is planning for net-zero emissions by 2030 for both direct emissions and indirect emissions from operations.

- * ESG Leaders are those considered by the portfolio managers to be best-in-class companies that effectively manage environmental, social and governance (ESG) factors to benefit all stakeholders. The Company also invests in ESG Improvers which are companies showing demonstrable progress on their ESG journey, where active engagement may lead to improving ESG practices and more sustainable outcomes. It may also invest in Sustainability Enablers which are companies advancing the transition to sustainable solutions. For example, companies contributing to greater energy efficiency and a lower carbon footprint.

Ten largest investments

30 April 2023

1 ▲ **Laboratory Corporation of America** (2022: 6th)

Sector: Health Care

Market value: £4,711,000

Share of investments: 3.0% (2022: 2.8%)

ESG Leader Laboratory Corporation of America, commonly known as LabCorp, operates in two segments including a low-cost, high quality national provider of laboratory services and a contract research organisation, which supports clinical research through administering trials and lab testing. LabCorp is able to offer a high quality service at a materially lower cost due to scale. Diagnostic testing is vital to generating positive health outcomes and LabCorp supports low-cost testing services, helping drive testing accessibility nationally.

2 ▲ **Baxter International** (2022: 23rd)

Sector: Health Care

Market value: £4,618,000

Share of investments: 2.9% (2022: 1.9%)

ESG Improver Baxter International markets devices and drugs used to treat kidney disease and other chronic and acute medical conditions. The company is the number one player in Peritoneal Dialysis (PD) with dominant positions in medical fluids/delivery systems and strong market positions across a wide range of medical equipment and devices. The company's PD technology helps improve access to care for high-risk patients with kidney disease.

3 ▶ **Willis Towers Watson** (2022: 3rd)

Sector: Financials

Market value: £4,606,000

Share of investments: 2.9% (2022: 2.9%)

ESG Improver Willis Towers Watson (WTW) is a British-American multinational insurance advisor company. WTW's revenue breakdown is approximately 55% consulting related and 45% insurance brokerage related. WTW's valuation relative to peers is at historically wide levels. The board of WTW has seen many positive changes since late 2021 and we believe this will improve the company's sustainability rating over time.

4 ▲ **Shell** (2022: 11th)

Sector: Energy

Market value: £4,437,000

Share of investments: 2.8% (2022: 2.5%)

ESG Leader Shell is one of the largest integrated energy companies globally with five main operating segments: Integrated Gas, Upstream, Marketing, Chemicals & Products and Renewables & Energy Solutions. The company has a high-quality, gas/liquefied natural gas (LNG)-weighted portfolio with marketing and optimisation opportunities superior to most of its oil major peers. Shell is an ESG leader, having adopted an internal net-zero strategy by 2050 to be Paris-aligned, which is not adopted by most US-based oil major peers.

5 ▲ Microsoft (2022: 26th)

Sector: Information Technology

Market value: £4,356,000

Share of investments: 2.8% (2022: 1.9%)

ESG Leader Microsoft is a dominant software company with strong market positions across multiple segments: intelligent cloud (36% of revenue), productivity & business processes (32% of revenue) and personal computing (32% of revenue). The company has a reasonable valuation for the long growth runway and the cloud transition should lead to high revenue and profit growth. The company invests heavily in carbon-neutral data centers powered by renewable energy sources.

6 ▼ Cisco Systems (2022: 5th)

Sector: Information Technology

Market value: £4,274,000

Share of investments: 2.7% (2022: 2.8%)

ESG Leader Cisco Systems is the world's largest networking equipment vendor, with leading positions in most of its core end markets. As one of the largest suppliers of network security solutions, Cisco System's products help customers to enhance data security and privacy. Despite market concerns regarding competition and cloud migration, we believe they can still deliver sustainable revenue and earnings growth.

7 ▲ Cognizant Technology Solutions (2022: 9th)

Sector: Information Technology

Market value: £4,119,000

Share of investments: 2.6% (2022: 2.6%)

ESG Leader Cognizant Technology Solutions is an IT Services company with a diversified revenue base across industry verticals and geographies. They help enterprise and small and medium business clients transition to cloud infrastructure, which is more efficient versus sub-scale in-house data centers. The company also exhibits strong governance as evidenced by an independent chairman, an independent majority and a gender diverse board.

8 ▼ Verizon Communications (2022: 4th)

Sector: Communication Services

Market value: £4,100,000

Share of investments: 2.6% (2022: 2.8%)

ESG Leader Verizon Communications is the leading wireless company in the US. We believe the company trades at a reasonable price relative to the quality and stability of the business due to competitive dynamics that have somewhat abated, as T-Mobile has pivoted to a margin growth strategy (from a share gain strategy). Verizon Communications also has some optionality on new types of revenue enabled by 5th generation networks.

9 ▼ Sanofi (2022: 1st)

Sector: Health Care

Market value: £4,043,000

Share of investments: 2.6% (2022: 2.9%)

ESG Leader Sanofi is a French multinational pharmaceutical and health care company that operates in three segments including pharmaceuticals, vaccines and consumer health. Sanofi is a leader in diabetes, immunology and cardiovascular management and also maintains strong consumer brands such as Allegra, IcyHot, GoldBond and Roloids. The company also has a wide portfolio of vaccines including a leading influenza vaccine business. With the newly appointed CEO who we know well from Novartis, we believe the company's R&D and innovation track record can be turned around.

Ten largest investments

continued

10 ▲ **Citigroup** (2022: 13th)

Financials

Market value: £4,012,000

Share of investments: 2.5% (2022: 2.4%)

ESG Leader Citigroup is a multinational investment bank and financial services corporation with a larger international footprint and smaller US retail footprint compared to its large US bank peers. Citigroup scores similarly to its large US bank peers with a strong score in Financing Environmental Impact, which will be increasingly important.

All percentages reflect the value of the holding as a percentage of total investments.

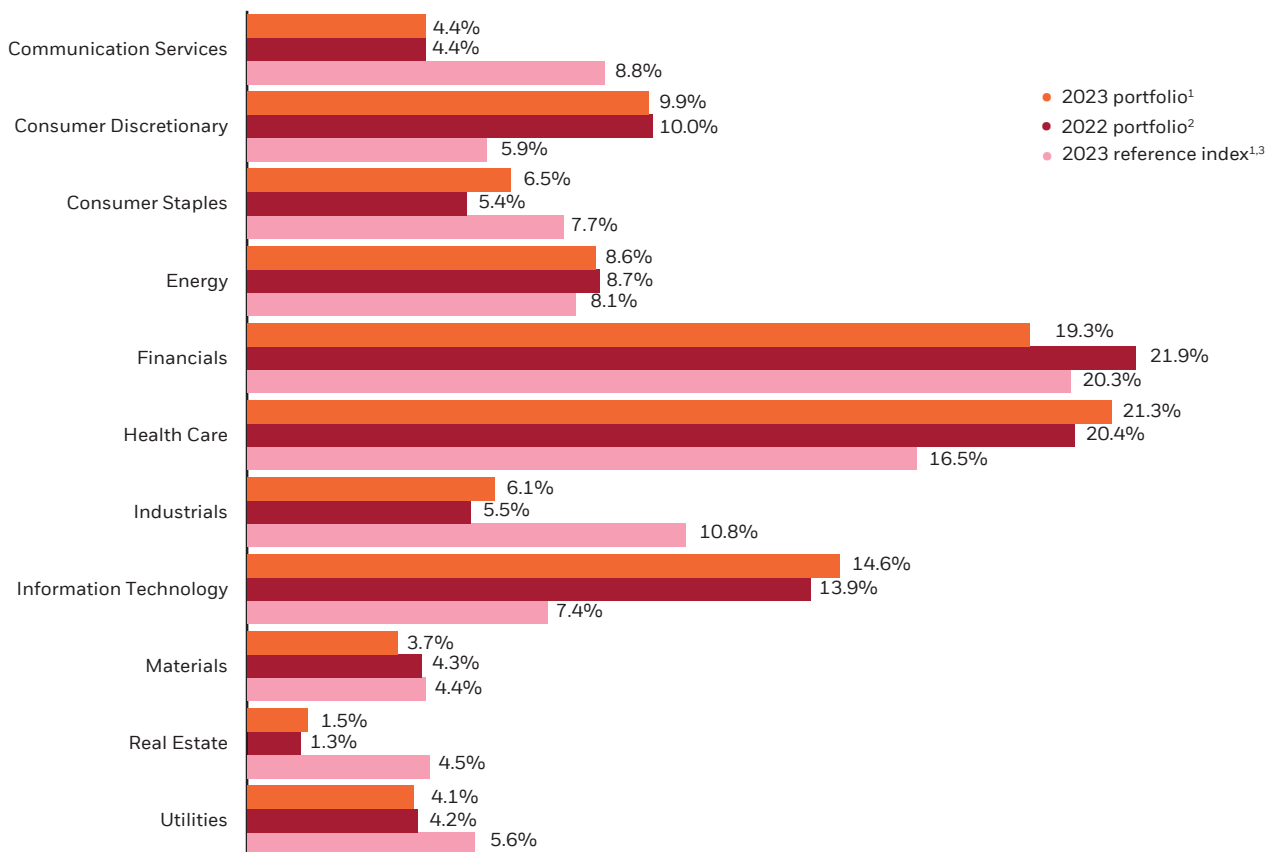
Percentages in brackets represent the value of the holding as of 31 October 2022.

Together, the ten largest investments represent 27.4% of the Company's portfolio (31 October 2022: 27.4%).

Portfolio analysis

as at 30 April 2023

Sector Exposure



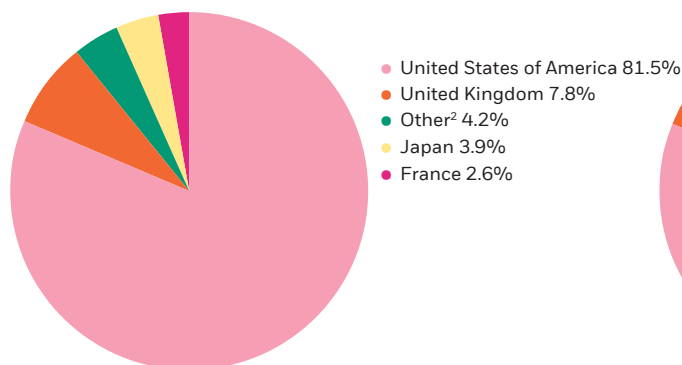
¹ Represents exposure at 30 April 2023.

² Represents exposure at 31 October 2022.

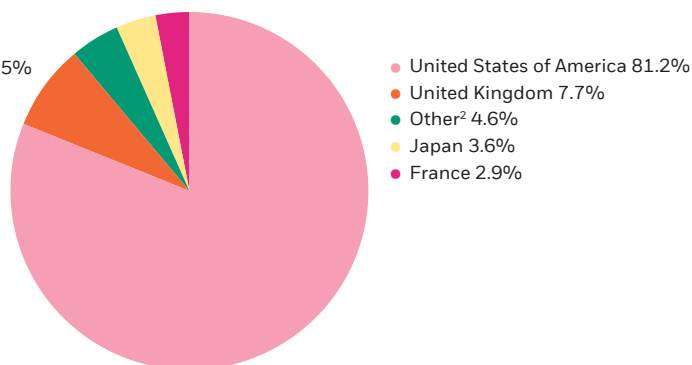
³ Russell 1000 Value Index at 30 April 2023.

Geographic Exposure¹

As at 30 April 2023



As at 31 October 2022



¹ Based on the principal place of operation of each investment.

² Consists of Australia, Canada and Denmark.

Investments

as at 30 April 2023

Company	Country	Sector	Securities	Market value £'000	% of total portfolio
Laboratory Corporation of America	United States	Health Care	Ordinary shares	4,711	3.0
Baxter International	United States	Health Care	Ordinary shares	4,618	2.9
Willis Towers Watson	United States	Financials	Ordinary shares	4,606	2.9
Shell	United Kingdom	Energy	Ordinary shares	4,437	2.8
Microsoft	United States	Information Technology (IT)	Ordinary shares	4,356	2.8
Cisco Systems	United States	IT	Ordinary shares	4,274	2.7
Cognizant Technology Solutions	United States	IT	Ordinary shares	4,119	2.6
Verizon Communications	United States	Communication Services	Ordinary shares	4,100	2.6
Sanofi	France	Health Care	Ordinary shares	4,043	2.6
Citigroup	United States	Financials	Ordinary shares	4,012	2.5
Wells Fargo	United States	Financials	Ordinary shares	3,828	2.4
American International	United States	Financials	Ordinary shares	3,708	2.3
Mondelez International	United States	Consumer Staples	Ordinary shares	3,693	2.3
Dollar Tree	United States	Consumer Discretionary	Ordinary shares	3,609	2.3
Cardinal Health	United States	Health Care	Ordinary shares	3,583	2.3
Kraft Heinz	United States	Consumer Staples	Ordinary shares	3,563	2.3
Union Pacific	United States	Industrials	Ordinary shares	3,562	2.3
PPG Industries	United States	Materials	Ordinary shares	3,448	2.2
Public Service Enterprise Group	United States	Utilities	Ordinary shares	3,420	2.2
Cigna	United States	Health Care	Ordinary shares	3,379	2.1
Fidelity National Information Services	United States	IT	Ordinary shares	3,367	2.1
Panasonic	Japan	Consumer Discretionary	Ordinary shares	3,214	2.0
Anthem	United States	Health Care	Ordinary shares	3,105	2.0
Komatsu	Japan	Industrials	Ordinary shares	3,025	1.9
AstraZeneca	United Kingdom	Health Care	Ordinary shares	3,014	1.9
Exelon	United States	Utilities	Ordinary shares	2,995	1.9
Cheniere Energy	United States	Energy	Ordinary shares	2,980	1.9
JPMorgan Chase	United States	Financials	Ordinary shares	2,958	1.9
Comcast	United States	Communication Services	Ordinary shares	2,849	1.8
Prudential	United Kingdom	Financials	Ordinary shares	2,816	1.8
General Motors	United States	Consumer Discretionary	Ordinary shares	2,700	1.7
Woodside Energy Group	Australia	Energy	Ordinary shares	2,693	1.7
Western Digital	United States	IT	Ordinary shares	2,476	1.6
Citizens Financial Group	United States	Financials	Ordinary shares	2,466	1.6
Sealed Air	United States	Materials	Ordinary shares	2,447	1.5
CBRE Group	United States	Real Estate	Ordinary shares	2,342	1.5
Zebra Technologies	United States	IT	Ordinary shares	2,233	1.4
Zimmer Biomet	United States	Health Care	Ordinary shares	2,207	1.4
Gildan Activewear	Canada	Consumer Discretionary	Ordinary shares	2,185	1.4
Reckitt Benckiser Group	United Kingdom	Consumer Staples	Ordinary shares	2,106	1.3

Company	Country	Sector	Securities	Market value £'000	% of total portfolio
EQT	United States	Energy	Ordinary shares	2,052	1.3
Avantor	United States	Health Care	Ordinary shares	1,899	1.2
L3Harris Technologies	United States	Industrials	Ordinary shares	1,756	1.1
Novo Nordisk	Denmark	Health Care	Ordinary shares	1,684	1.1
Lear	United States	Consumer Discretionary	Ordinary shares	1,593	1.0
Visa	United States	IT	Ordinary shares	1,490	0.9
First American	United States	Financials	Ordinary shares	1,478	0.9
Kosmos Energy	United States	Energy	Ordinary shares	1,464	0.9
Eli Lilly	United States	Health Care	Ordinary shares	1,298	0.8
Fidelity National	United States	Financials	Ordinary shares	1,249	0.8
Newell Brands	United States	Consumer Discretionary	Ordinary shares	1,236	0.8
Pentair	United States	Industrials	Ordinary shares	1,213	0.8
Ralph Lauren	United States	Consumer Discretionary	Ordinary shares	1,105	0.7
Invesco	United States	Financials	Ordinary shares	985	0.6
Molson Coors	United States	Consumer Staples	Ordinary shares	944	0.6
Charles Schwab	United States	Financials	Ordinary shares	852	0.6
Ciena	United States	IT	Ordinary shares	846	0.5
Goldman Sachs	United States	Financials	Ordinary shares	817	0.5
Raymond James	United States	Financials	Ordinary shares	792	0.5
Portfolio				158,000	100.0

All investments are in ordinary shares unless otherwise stated. The number of holdings as at 30 April 2023 was 59 (31 October 2022: 57).

At 30 April 2023, the Company did not hold any equity interests comprising more than 3% of any company's share capital.

Interim Management Report and Responsibility Statement

The Chair's Statement on pages 5 and 6 and the Investment Manager's Report on pages 7 to 10 give details of the important events which have occurred during the period and their impact on the financial statements.

Principal risks and uncertainties

The principal risks faced by the Company can be divided into various areas as follows:

- Counterparty;
- Investment performance;
- Legal & Regulatory Compliance;
- Market;
- Operational;
- Financial; and
- Marketing.

The Board reported on the principal risks and uncertainties faced by the Company in the Annual Report and Financial Statements for the year ended 31 October 2022. A detailed explanation can be found in the Strategic Report on pages 38 to 41 and in note 15 on pages 93 to 101 of the Annual Report and Financial Statements which are available on the website maintained by BlackRock at www.blackrock.com/uk/brsa.

In the view of the Board, there have not been any changes to the fundamental nature of the principal risks and uncertainties since the previous report and these are equally applicable to the remaining six months of the financial year as they were to the six months under review.

Going concern

The Directors, having considered the nature and liquidity of the portfolio, the Company's investment objective and the Company's projected income and expenditure, are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future and is financially sound. The Board is mindful of the continuing uncertainty surrounding the current environment of heightened geopolitical risk given the war in Ukraine. The Board believes that the Company and its key third-party service providers have in place appropriate business continuity plans and these services have continued to be supplied without interruption.

The Company has a portfolio of investments which are predominantly readily realisable and is able to meet all its liabilities from its assets and income generated from these assets. Accounting revenue and expense forecasts are maintained and reported to the Board regularly and it is expected that the Company will be able to meet all its obligations. Borrowings under the overdraft facility shall at no time exceed £20 million or 20% of the Company's net assets (calculated at the time of draw down), although the Board intends only to utilise borrowings representing 10% of net assets at the time of draw down, and this covenant was complied with during the period. Ongoing charges for the year ended 31 October 2022 were 1.01% of net assets.

Based on the above, the Board is satisfied that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Related party disclosure and transactions with the Manager

BlackRock Fund Managers Limited (BFM) was appointed as the Company's Alternative Investment Fund Manager (AIFM) with effect from 2 July 2014. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Both BFM and BIM (UK) are regarded as related parties under the Listing Rules. Details of the fees payable are set out in note 4 on page 27 and note 11 on pages 32 and 33.

The related party transactions with the Directors are set out in note 12 on page 33.

Directors' responsibility statement

The Disclosure Guidance and Transparency Rules (DTR) of the UK Listing Authority require the Directors to confirm their responsibilities in relation to the preparation and publication of the Interim Management Report and Financial Statements.

The Directors confirm to the best of their knowledge that:

- the condensed set of financial statements contained within the Half Yearly Financial Report has been prepared in accordance with applicable International Accounting Standard 34 – 'Interim Financial Reporting'; and
- the Interim Management Report, together with the Chair's Statement and Investment Manager's Report, include a fair review of the information required by 4.2.7R and 4.2.8R of the FCA's Disclosure Guidance and Transparency Rules.

This Half Yearly Financial Report has not been audited or reviewed by the Company's auditors.

The Half Yearly Financial Report was approved by the Board on 28 June 2023 and the above responsibility statement was signed on its behalf by the Chair.

Alice Ryder

For and on behalf of the Board

28 June 2023

Statement of Comprehensive Income

for the six months ended 30 April 2023

	Notes	Six months ended 30 April 2023 (unaudited)			Six months ended 30 April 2022 (unaudited)			Year ended 31 October 2022 (audited)		
		Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Income from investments held at fair value through profit or loss	3	2,265	–	2,265	1,961	47	2,008	4,255	55	4,310
Other income	3	3	–	3	–	–	–	3	–	3
Total income		2,268	–	2,268	1,961	47	2,008	4,258	55	4,313
Net (loss)/profit on investments and options held at fair value through profit or loss		–	(8,581)	(8,581)	–	9,038	9,038	–	10,423	10,423
Net profit/(loss) on foreign exchange		–	6	6	–	(199)	(199)	–	(433)	(433)
Total		2,268	(8,575)	(6,307)	1,961	8,886	10,847	4,258	10,045	14,303
Expenses										
Investment management fee	4	(145)	(435)	(580)	(148)	(444)	(592)	(299)	(898)	(1,197)
Other operating expenses	5	(238)	(1)	(239)	(153)	2	(151)	(412)	2	(410)
Total operating expenses		(383)	(436)	(819)	(301)	(442)	(743)	(711)	(896)	(1,607)
Net profit/(loss) on ordinary activities before finance costs and taxation		1,885	(9,011)	(7,126)	1,660	8,444	10,104	3,547	9,149	12,696
Finance costs		(13)	(38)	(51)	(4)	(11)	(15)	(17)	(52)	(69)
Net profit/(loss) on ordinary activities before taxation		1,872	(9,049)	(7,177)	1,656	8,433	10,089	3,530	9,097	12,627
Taxation		(268)	–	(268)	(193)	–	(193)	(449)	(8)	(457)
Profit/(loss) for the period/year		1,604	(9,049)	(7,445)	1,463	8,433	9,896	3,081	9,089	12,170
Earnings/(loss) per ordinary share (pence)	7	2.00	(11.28)	(9.28)	1.82	10.51	12.33	3.84	11.33	15.17

The total columns of this statement represent the Company's Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards (IASs). The supplementary revenue and capital accounts are both prepared under guidance published by the Association of Investment Companies (AIC). All items in the above statement derive from continuing operations. No operations were acquired or discontinued during the period. All income is attributable to the equity holders of the Company.

The Company does not have any other comprehensive income/(loss) (30 April 2022: £nil; 31 October 2022: £nil). The net profit/(loss) for the period disclosed above represents the Company's total comprehensive income/(loss).

The notes on pages 26 to 34 form part of these financial statements.

Statement of Changes in Equity

for the six months ended 30 April 2023

	Note	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserves £'000	Revenue reserve £'000	Total £'000
For the six months ended 30 April 2023 (unaudited)								
At 31 October 2022		1,004	–	1,460	82,963	84,940	719	171,086
Total comprehensive (loss)/income:								
Net (loss)/profit for the period		–	–	–	–	(9,049)	1,604	(7,445)
Transactions with owners, recorded directly to equity:								
Dividends paid ¹	6	–	–	–	–	(1,195)	(2,015)	(3,210)
At 30 April 2023		1,004	–	1,460	82,963	74,696	308	160,431
For the six months ended 30 April 2022 (unaudited)								
At 31 October 2021		1,004	44,873	1,460	38,090	79,369	538	165,334
Total comprehensive income:								
Net profit for the period		–	–	–	–	8,433	1,463	9,896
Transactions with owners, recorded directly to equity:								
Dividends paid ²	6	–	–	–	–	(1,394)	(1,815)	(3,209)
At 30 April 2022		1,004	44,873	1,460	38,090	86,408	186	172,021
For the year ended 31 October 2022 (audited)								
At 31 October 2021		1,004	44,873	1,460	38,090	79,369	538	165,334
Total comprehensive income:								
Net profit for the year		–	–	–	–	9,089	3,081	12,170
Transactions with owners, recorded directly to equity:								
Transfer of share premium to special reserve ³		–	(44,873)	–	44,873	–	–	–
Dividends paid ⁴		–	–	–	–	(3,518)	(2,900)	(6,418)
At 31 October 2022		1,004	–	1,460	82,963	84,940	719	171,086

¹ 4th interim dividend of 2.00p per share for the year ended 31 October 2022, declared on 2 November 2022 and paid on 3 January 2023 and 1st interim dividend of 2.00p per share for the year ending 31 October 2023, declared on 22 March 2023 and paid on 28 April 2023.

² 4th interim dividend of 2.00p per share for the year ended 31 October 2021, declared on 3 November 2021 and paid on 4 January 2022 and 1st interim dividend of 2.00p per share for the year ending 31 October 2022, declared on 22 March 2022 and paid on 29 April 2022.

³ The Company's share premium account was cancelled pursuant to shareholders' approval of a special resolution at the Company's Annual General Meeting on 22 March 2022 and Court approval on 19 July 2022. The share premium account which totalled £44,873,000 was transferred to a special reserve. This action was taken, in part, to ensure that the Company had sufficient distributable reserves.

⁴ 4th interim dividend of 2.00p per share for the year ended 31 October 2021, declared on 3 November 2021 and paid 4 January 2022; 1st interim dividend of 2.00p per share for the year ended 31 October 2022, declared on 22 March 2022 and paid on 29 April 2022; 2nd interim dividend of 2.00p per share for the year ended 31 October 2022, declared on 11 May 2022 and paid on 1 July 2022; and 3rd interim dividend of 2.00p per share for the year ended 31 October 2022, declared on 4 August 2022 and paid on 3 October 2022.

For information on the Company's distributable reserves, please refer to note 9 on page 30.

The notes on pages 26 to 34 form part of these financial statements.

Statement of Financial Position

as at 30 April 2023

	Notes	30 April 2023 (unaudited) £'000	30 April 2022 (unaudited) £'000	31 October 2022 (audited) £'000
Non current assets				
Investments held at fair value through profit or loss	10	158,000	176,665	175,425
Current assets				
Current tax asset		132	99	145
Other receivables		348	332	3,287
Cash and cash equivalents		3,450	60	58
Total current assets		3,930	491	3,490
Total assets		161,930	177,156	178,915
Current liabilities				
Current tax liability		(6)	-	(6)
Other payables		(1,493)	(1,389)	(3,969)
Bank overdraft		-	(3,746)	(3,854)
Total current liabilities		(1,499)	(5,135)	(7,829)
Net assets		160,431	172,021	171,086
Equity attributable to equity holders				
Called up share capital	8	1,004	1,004	1,004
Share premium account		-	44,873	-
Capital redemption reserve		1,460	1,460	1,460
Special reserve		82,963	38,090	82,963
Capital reserves		74,696	86,408	84,940
Revenue reserve		308	186	719
Total equity		160,431	172,021	171,086
Net asset value per ordinary share (pence)	7	199.97	214.41	213.25

The financial statements on pages 22 to 34 were approved and authorised for issue by the Board of Directors on 28 June 2023 and signed on its behalf by Alice Ryder, Chair.

BlackRock Sustainable American Income Trust plc

Registered in England and Wales, No. 8196493

The notes on pages 26 to 34 form part of these financial statements.

Cash Flow Statement

for the six months ended 30 April 2023

	Six months ended 30 April 2023 (unaudited) £'000	Six months ended 30 April 2022 (unaudited) £'000	Year ended 31 October 2022 (audited) £'000
Operating activities			
Net (loss)/profit on ordinary activities before taxation	(7,177)	10,089	12,619
Add back finance costs	51	15	69
Net loss/(profit) on investments and options held at fair value through profit or loss (including transaction costs)	8,581	(9,038)	(10,423)
Net (profit)/loss on foreign exchange	(6)	199	433
Sales of investments held at fair value through profit or loss	52,732	50,798	107,169
Purchases of investments held at fair value through profit or loss	(43,888)	(53,454)	(107,200)
Increase in other receivables	(103)	(116)	(23)
Increase/(decrease) in other payables	353	173	(76)
Decrease/(increase) in amounts due from brokers	3,042	2,021	(1,021)
(Decrease)/increase in amounts due to brokers	(2,829)	(2,000)	829
Net cash inflow/(outflow) from operating activities before taxation	10,756	(1,313)	2,376
Taxation paid	(255)	(190)	(492)
Net cash inflow/(outflow) from operating activities	10,501	(1,503)	1,884
Financing activities			
Interest paid	(51)	(15)	(69)
Dividends paid	(3,210)	(3,209)	(6,418)
Net cash outflow from financing activities	(3,261)	(3,224)	(6,487)
Increase/(decrease) in cash and cash equivalents	7,240	(4,727)	(4,603)
Effect of foreign exchange rate changes	6	(199)	(433)
Change in cash and cash equivalents	7,246	(4,926)	(5,036)
Cash and cash equivalents at start of period/year	(3,796)	1,240	1,240
Cash and cash equivalents at end of period/year	3,450	(3,686)	(3,796)
Comprised of:			
Cash at bank	273	60	58
Bank overdraft	–	(3,746)	(3,854)
Cash Fund ¹	3,177	–	–
	3,450	(3,686)	(3,796)

¹ Cash Fund represents funds invested in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund.

Notes to the Financial Statements

for the six months ended 30 April 2023

1. Principal activity

The principal activity of the Company is that of an investment trust company within the meaning of Section 1158 of the Corporation Tax Act 2010.

2. Basis of presentation

The half yearly financial statements for the period ended 30 April 2023 have been prepared in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the Financial Conduct Authority and with the UK-adopted International Accounting Standard 34 (IAS 34) Interim Financial Reporting. The half yearly financial statements should be read in conjunction with the Company's Annual Report and Financial Statements for the year ended 31 October 2022, which have been prepared in accordance with UK-adopted International Accounting Standards (IASs) in conformity with the requirements of the Companies Act 2006.

Insofar as the Statement of Recommended Practice (SORP) for investment trust companies and venture capital trusts, issued by the Association of Investment Companies (AIC) in October 2019 and updated in July 2022, is compatible with UK-adopted IASs, the financial statements have been prepared in accordance with the guidance set out in the SORP.

Relevant International Accounting Standards that have yet to be adopted:

IFRS 17 – Insurance contracts (effective 1 January 2023). This standard replaces IFRS 4, which currently permits a wide range of accounting practices in accounting for insurance contracts. IFRS 17 will fundamentally change the accounting by all entities that issue insurance contracts and investment contracts with discretionary participation features.

This standard is unlikely to have any impact on the Company as it does not issue insurance contracts.

IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (effective 1 January 2023). The International Accounting Standards Board (IASB) has amended IAS 12 Income Taxes to require companies to recognise deferred tax on particular transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. According to the amended guidance, a temporary difference that arises on initial recognition of an asset or liability is not subject to the initial recognition exemption if that transaction gave rise to equal amounts of taxable and deductible temporary differences. These amendments might have a significant impact on the preparation of financial statements by companies that have substantial balances of right-of-use assets, lease liabilities, decommissioning, restoration and similar liabilities. The impact for those affected would be the recognition of additional deferred tax assets and liabilities.

The amendment of this standard is unlikely to have any significant impact on the Company.

None of the standards that have been issued but are not yet effective are expected to have a material impact on the Company.

3. Income

	Six months ended 30 April 2023 (unaudited) £'000	Six months ended 30 April 2022 (unaudited) £'000	Year ended 31 October 2022 (audited) £'000
Investment income:			
UK dividends	196	148	234
Overseas dividends	2,048	1,764	3,926
Overseas special dividends	–	8	27
Overseas REIT dividends	–	41	68
Interest from Cash Fund	21	–	–
Total investment income	2,265	1,961	4,255
Deposit interest	3	–	3
Total income	2,268	1,961	4,258

Dividends and interest received in cash during the period amounted to £1,888,000 and £12,000 (six months ended 30 April 2022: £1,659,000 and £nil; year ended 31 October 2022: £3,662,000 and £3,000).

No special dividends have been recognised in capital during the period (six months ended 30 April 2022: £47,000; year ended 31 October 2022: £55,000).

4. Investment management fee

	Six months ended 30 April 2023 (unaudited)			Six months ended 30 April 2022 (unaudited)			Year ended 31 October 2022 (audited)		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Investment management fee	145	435	580	148	444	592	299	898	1,197
Total	145	435	580	148	444	592	299	898	1,197

The investment management fee is payable in quarterly arrears, calculated at the rate of 0.70% of the Company's net assets. The investment management fee is allocated 25% to the revenue account and 75% to the capital account.

There is no additional fee for company secretarial and administration services.

Notes to the Financial Statements

continued

5. Other operating expenses

	Six months ended 30 April 2023 (unaudited) £'000	Six months ended 30 April 2022 (unaudited) £'000	Year ended 31 October 2022 (audited) £'000
Allocated to revenue:			
Custody fee	1	1	3
Auditors' remuneration – audit services ¹	17	19	38
Registrar's fee	11	15	32
Directors' emoluments	68	82	165
Broker fees	20	20	40
Depository fees	8	8	16
Printing fees	18	16	32
Legal and professional fees	18	17	35
Marketing fees	26	17	49
AIC fees	6	5	11
FCA fees	5	4	9
Write back of prior year expenses ²	(11)	(87)	(101)
Other administration costs	51	36	83
	238	153	412
Allocated to capital:			
Custody transaction charges ³	1	5	5
Write back of prior year expenses ^{3,4}	-	(7)	(7)
	239	151	410

¹ No non-audit services were provided by the Company's auditors for the six months ended 30 April 2023 (six months ended 30 April 2022: none; year ended 31 October 2022: none).

² Relates to prior year accruals for legal fees written back during the period (six months ended 30 April 2022: Directors' fees, Directors' expenses and legal fees; year ended 31 October 2022: Directors' fees, Directors' expenses, Employer's NI, legal fees and printing fees).

³ For the six month period ended 30 April 2023, an expense of £1,000 (six months ended 30 April 2022: an expense of £5,000 and a write back of prior year accruals of £7,000; year ended 31 October 2022: an expense of £5,000 and a write back of prior year accruals of £7,000) was charged to the capital account of the Statement of Comprehensive Income. This relates to transaction costs charged by the custodian on sale and purchase trades.

⁴ No prior year accruals for custody transaction charges were written back during the period (six months ended 30 April 2022: £7,000; year ended 31 October 2022: £7,000).

The transaction costs incurred on the acquisition of investments amounted to £7,000 for the six months ended 30 April 2023 (six months ended 30 April 2022: £26,000; year ended 31 October 2022: £66,000). Costs relating to the disposal of investments amounted to £6,000 for the six months ended 30 April 2023 (six months ended 30 April 2022: £8,000; year ended 31 October 2022: £16,000). All transaction costs have been included within capital reserves.

6. Dividends

On 11 May 2023, the Directors declared a second quarterly interim dividend of 2.00p per share. The dividend will be paid on 3 July 2023 to shareholders on the Company's register on 19 May 2023. This dividend has not been accrued in the financial statements for the six months ended 30 April 2023 as, under IAS, interim dividends are not recognised until paid. Dividends are debited directly to reserves.

Dividends paid on equity shares during the period were:

	Six months ended 30 April 2023 (unaudited) £'000
Fourth interim dividend for the year ended 31 October 2022 of 2.00p per ordinary share paid on 3 January 2023	1,605
First interim dividend for the year ended 31 October 2023 of 2.00p per ordinary share paid on 28 April 2023	1,605
	3,210
Second interim dividend for the year ended 31 October 2023 of 2.00p per ordinary share payable on 3 July 2023	1,605
	4,815

¹ Based on 80,229,044 ordinary shares in issue on 18 May 2023 (the ex-dividend date).

7. Earnings and net asset value per ordinary share

Total revenue, capital (loss)/earnings and net asset value per ordinary share are shown below and have been calculated using the following:

	Six months ended 30 April 2023 (unaudited)	Six months ended 30 April 2022 (unaudited)	Year ended 31 October 2022 (audited)
Net revenue profit attributable to ordinary shareholders (£'000)	1,604	1,463	3,081
Net capital (loss)/profit attributable to ordinary shareholders (£'000)	(9,049)	8,433	9,089
Total (loss)/profit attributable to ordinary shareholders (£'000)	(7,445)	9,896	12,170
Equity shareholders' funds (£'000)	160,431	172,021	171,086
The weighted average number of ordinary shares in issue during the period on which the earnings per ordinary share was calculated was:	80,229,044	80,229,044	80,229,044
The actual number of ordinary shares in issue at the period end on which the net asset value per ordinary share was calculated was:	80,229,044	80,229,044	80,229,044
Earnings per ordinary share			
Revenue earnings per share (pence) - basic and diluted	2.00	1.82	3.84
Capital (loss)/earnings per share (pence) - basic and diluted	(11.28)	10.51	11.33
Total (loss)/earnings per share (pence) - basic and diluted	(9.28)	12.33	15.17
	As at 30 April 2023 (unaudited)	As at 30 April 2022 (unaudited)	As at 31 October 2022 (audited)
Net asset value per ordinary share (pence)	199.97	214.41	213.25
Ordinary share price (pence)	193.50	210.00	197.50

There were no dilutive securities at the period end (six months ended 30 April 2022: none; year ended 31 October 2022: none).

Notes to the Financial Statements

continued

8. Called up share capital

(unaudited)	Ordinary shares in issue number	Treasury shares number	Total shares number	Nominal value £'000
Allotted, called up and fully paid share capital comprised:				
Ordinary shares of 1 pence each:				
At 31 October 2022	80,229,044	20,132,261	100,361,305	1,004
At 30 April 2023	80,229,044	20,132,261	100,361,305	1,004

During the six months ended 30 April 2023, no ordinary shares were reissued from treasury (six months ended 30 April 2022 and year ended 31 October 2022: no shares were reissued from treasury).

During the six months ended 30 April 2023, no shares were bought back and transferred into treasury (six months ended 30 April 2022 and year ended 31 October 2022: no shares were bought back and transferred into treasury).

Since 30 April 2023 and up to the date of this report, no ordinary shares have been reissued from treasury and no ordinary shares have been bought back and transferred into treasury.

9. Reserves

The share premium and capital redemption reserve are not distributable reserves under the Companies Act 2006. In accordance with ICAEW Technical Release 02/17BL on Guidance on Realised and Distributable Profits under the Companies Act 2006, the special reserve and capital reserve may be used as distributable reserves for all purposes and, in particular, the repurchase by the Company of its ordinary shares and for payments such as dividends. In accordance with the Company's Articles of Association, the special reserve, capital reserve and revenue reserve may be distributed by way of dividend. The loss on the capital reserve arising on the revaluation of investments of £1,745,000 (six months ended 30 April 2022: gain of £19,243,000; year ended 31 October 2022: gain of £11,680,000) is subject to fair value movements and may not be readily realisable at short notice; as such it may not be entirely distributable. The investments are subject to financial risks; as such capital reserves (arising on investments sold) and the revenue reserve may not be entirely distributable if a loss occurred during the realisation of these investments.

The Company's share premium account was cancelled pursuant to shareholders' approval of a special resolution at the Company's Annual General Meeting on 22 March 2022 and Court approval on 19 July 2022. The share premium account which totalled £44,873,000 was transferred to a special reserve. This action was taken, in part, to ensure that the Company had sufficient distributable reserves.

10. Financial risks and valuation of financial instruments

The Company'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 risks are substantially consistent with those disclosed in the previous annual financial statements with the exception of those outlined below.

Market risk arising from price risk

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 issues, recessions, climate change or other events could have a significant impact on the Company and its investments.

The current environment of heightened geopolitical risk given the war in Ukraine has undermined investor confidence and market direction. In addition to the tragic and devastating events in Ukraine, the war has constricted supplies of key commodities, pushing prices up and creating a level of market uncertainty and volatility which is likely to persist for some time.

Valuation of financial instruments

Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value (investments and derivatives) or at an amount which is a reasonable approximation of fair value (due from brokers, dividends and interest receivable, due to brokers, accruals, cash at bank and bank overdrafts). IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The valuation techniques used by the Company are explained in the accounting policies note 2(g) as set out on pages 85 and 86 of the Company's Annual Report and Financial Statements for the year ended 31 October 2022.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset.

The fair value hierarchy has the following levels:

Level 1 – Quoted market price for identical instruments in active markets

A financial instrument is regarded as quoted in an active market if quoted prices are readily available from an exchange, dealer, broker, industry group, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on an arm's length basis. The Company does not adjust the quoted price for these instruments.

Level 2 – Valuation techniques using observable inputs

This category includes instruments valued using quoted prices for similar instruments in markets that are considered less 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 options, currency swaps and other over-the-counter 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 specific inputs.

Level 3 – Valuation techniques using significant unobservable inputs

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

This category 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 Investment Manager considers observable data 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 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. 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 Level 3 asset or liability including an assessment of the relevant risks including but not limited to credit risk, market risk, liquidity risk, business risk and sustainability risk. The determination of what constitutes 'observable' inputs requires significant judgement by the Investment Manager and these risks are adequately captured in the assumptions and inputs used in the measurement of Level 3 assets or liabilities.

Fair values of financial assets and financial liabilities

The table below sets out fair value measurements using the IFRS 13 fair value hierarchy.

Financial assets at fair value through profit or loss at 30 April 2023 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	158,000	–	–	158,000
	158,000	–	–	158,000

Notes to the Financial Statements

continued

10. Financial risks and valuation of financial instruments

continued

Financial assets at fair value through profit or loss at 30 April 2022 (unaudited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	176,665	–	–	176,665
	176,665	–	–	176,665

Financial assets at fair value through profit or loss at 31 October 2022 (audited)	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Assets:				
Equity investments	175,425	–	–	175,425
	175,425	–	–	175,425

For exchange listed equity investments, the quoted price is the bid price. Substantially all investments are valued based on unadjusted quoted market prices. Where such quoted prices are readily available in an active market, such prices are not required to be assessed or adjusted for any business risks, including climate change risk, in accordance with the fair value related requirements of the Company's financial reporting framework.

There were no transfers between levels for financial assets and financial liabilities recorded at fair value as at 30 April 2023, 30 April 2022 and 31 October 2022. The Company did not hold any Level 3 securities throughout the financial period under review or as at 30 April 2023, 30 April 2022 and 31 October 2022.

11. Related party disclosure

Directors' emoluments

The Board consists of four non-executive Directors, all of whom are considered to be independent of the Manager by the Board. None of the Directors has a service contract with the Company. The Chair receives an annual fee of £43,000, the Audit and Management Engagement Committee Chairman receives an annual fee of £36,000 and each of the Directors receives an annual fee of £30,000. At 30 April 2023, an amount of £14,000 (six months ended 30 April 2022: £14,000; year ended 31 October 2022: £14,000) was outstanding in respect of Directors' fees.

At 30 April 2023, interests of the Directors in the ordinary shares of the Company are as set out below:

	Six months ended 30 April 2023 (unaudited)	Six months ended 30 April 2022 (unaudited)	Year ended 31 October 2022 (audited)
Alice Ryder (Chair) ¹	9,047	9,047	9,047
David Barron	5,000	–	5,000
Melanie Roberts	10,000	–	10,000
Solomon Soquar ²	–	n/a	n/a
Christopher Casey ³	n/a	19,047	19,047
Simon Miller ⁴	n/a	38,094	38,094

¹ Appointed as Chair on 1 November 2022.

² Appointed on 21 March 2023.

³ Retired on 21 March 2023.

⁴ Retired as Chairman on 31 October 2022.

Since the period end and up to the date of this report there have been no changes in Directors' holdings.

Significant Holdings

The following investors are:

- a. funds managed by the BlackRock Group or are affiliates of BlackRock Inc. (Related BlackRock Funds); or
- b. investors (other than those listed in (a) above) who held more than 20% of the voting shares in issue in the Company and are, as a result, considered to be related parties to the Company (Significant Investors).

As at 30 April 2023

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
0.9	n/a	n/a

As at 30 April 2022

Total % of shares held by Related BlackRock Funds	Total % of shares held by Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.	Number of Significant Investors who are not affiliates of BlackRock Group or BlackRock, Inc.
1.7	n/a	n/a

12. Transactions with the Investment Manager and AIFM

BlackRock Fund Managers Limited (BFM) provides management and administration services to the Company under a contract which is terminable on six months' notice. BFM has (with the Company's consent) delegated certain portfolio and risk management services, and other ancillary services, to BlackRock Investment Management (UK) Limited (BIM (UK)). Further details of the investment management contract are disclosed on pages 48 and 49 of the Directors' Report in the Company's Annual Report and Financial Statements for the year ended 31 October 2022.

The investment management fee is payable quarterly in arrears, calculated at the rate of 0.70% of the Company's net assets. The investment management fee is allocated 25% to the revenue account and 75% to the capital account. The investment management fee due for the six months ended 30 April 2023 amounted to £580,000 (six months ended 30 April 2022: £592,000; year ended 31 October 2022: £1,197,000). At the period end, £1,186,000 was outstanding in respect of the investment management fee (six months ended 30 April 2022: £1,177,000; year ended 31 October 2022: £899,000).

In addition to the above services, BIM (UK) has provided the Company with marketing services. The total fees paid or payable for these services to 30 April 2023 amounted to £26,000 excluding VAT (six months ended 30 April 2022: £17,000; year ended 31 October 2022: £49,000). Marketing fees of £56,000 excluding VAT (30 April 2022: £46,000; 31 October 2022: £29,000) were outstanding as at 30 April 2023.

The Company has an investment in the BlackRock Institutional Cash Series plc - US Dollar Liquid Environmentally Aware Fund of £3,177,000 (30 April 2022: £nil; 31 October 2022: £nil) as at 30 April 2023, which is a fund managed by a company within the BlackRock Group.

The ultimate holding company of the Manager and the Investment Manager is BlackRock, Inc., a company incorporated in Delaware, USA.

Notes to the Financial Statements

continued

13. Contingent liabilities

There were no contingent liabilities at 30 April 2023 (six months ended 30 April 2022: none; year ended 31 October 2022: none).

14. Publication of non statutory accounts

The financial information contained in this half yearly financial report does not constitute statutory accounts as defined in Section 435 of the Companies Act 2006. The financial information for the six months ended 30 April 2023 and 30 April 2022 has not been audited.

The information for the year ended 31 October 2022 has been extracted from the latest published audited financial statements which have been filed with the Registrar of Companies. The report of the auditors on those financial statements contained no qualifications or statement under Sections 498(2) or 498(3) of the Companies Act 2006.

15. Annual results

The Board expects to announce the annual results for the year ending 31 October 2023 in late January 2024.

Copies of the annual results announcement can be obtained from the Secretary on 0207 743 3000 or cosec@blackrock.com. The Annual Report and Financial Statements should be available by the beginning of February 2024 with the Annual General Meeting being held in March 2024.

Management and other service providers

Registered Office

(Registered in England, No. 8196493)
12 Throgmorton Avenue
London EC2N 2DL

Alternative Investment Fund Manager

BlackRock Fund Managers Limited¹
12 Throgmorton Avenue
London EC2N 2DL

Investment Manager and Company Secretary

BlackRock Investment Management (UK) Limited¹
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Registrar

Computershare Investor Services PLC¹
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 873 5879

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Depositary, Custodian, Banker and Fund Accountant

The Bank of New York Mellon (International) Limited¹
160 Queen Victoria Street
London EC4V 4LA

Stockbroker

Cenkos Securities plc¹
6.7.8 Tokenhouse Yard
London EC2R 7AS

Solicitors

Gowling WLG (UK) LLP
4 More London Riverside
London SE1 2AU

¹ Authorised and regulated by the Financial Conduct Authority.

Directors



Alice Ryder
Chair

Appointed 12 June 2013

Alice Ryder is a partner of Stanhope Capital LLP and has more than 30 years' investment experience, comprising the last fifteen years as an investment consultant in the charity sector and as a fund manager from 1985 to 2002. She is responsible for advising substantial charity and not-for-profit clients at Stanhope Consulting, a division of Stanhope Capital LLP. She is also a director of JPMorgan UK Smaller Companies Investment Trust plc.



David Barron
Audit and Management Engagement Committee Chairman and Senior Independent Director

Appointed 22 March 2022

David Barron spent 25 years working in the investment management sector and was until November 2019 chief executive officer of Miton Group PLC. Prior to this he was head of investment trusts at JP Morgan Asset Management for more than ten years having joined Robert Fleming in 1995. He is currently chairman of Dunedin Income Growth Investment Trust PLC and a non-executive director of Fidelity Japan Trust PLC and Premier Miton Group PLC. He is also a lay-member of the Council of Lancaster University.



Melanie Roberts

Appointed 1 October 2019

Melanie Roberts has responsibility for sustainability, working alongside the rest of the Board and the Investment Manager. She is a partner at Sarasin & Partners LLP and has 27 years of investment experience. She joined Sarasin & Partners in 2011 and in January 2023 was appointed as head of charities, continuing to focus on strategy, stewardship and client service for charity portfolios. Prior to joining Sarasin & Partners, she spent 16 years at Newton Investment Management as a fund manager of charity, private client and pension fund portfolios.



Solomon Soquar

Appointed 21 March 2023

Solomon Soquar has a long and deep experience of over 30 years across Investment Banking, Capital Markets and Wealth Management. He has worked with several major financial institutions, including Goldman Sachs, Bankers Trust, Merrill Lynch, Citi and Barclays. His most recent executive role has been as CEO of Barclays Investments Solutions Limited. Over the last few years he has developed a portfolio of roles, including non-executive director of Ruffer Investment Company Limited; chair, Africa Research Excellence Fund; and business fellow of Oxford University, Smith School of Economics and Enterprise.

Shareholder information

Financial calendar

The timing of the announcement and publication of the Company's results may normally be expected in the months shown below:

January/February

Annual results announced and Annual Report and Financial Statements published.

March

Annual General Meeting.

June

Half yearly figures announced and Half Yearly Financial Report published.

Quarterly dividends

Dividends are paid quarterly as follows:

<u>Period ending</u>	<u>Ex-date</u>	<u>Payment date</u>
31 January	February	April
30 April	May	July
31 July	August	October
31 October	November	January

Payment of dividends

Cash dividends will be sent by cheque to the first-named shareholder at their registered address. Dividends may also be paid direct into a shareholder's bank account via BACSTEL-IP (Bankers' Automated Clearing Service – Telecom Internet Protocol). This may be arranged by contacting the Company's registrar, Computershare Investor Services PLC, through their secure website www.investorcentre.co.uk, or by telephone on 0370 873 5879, or by completing the Mandate Instructions section on the reverse of your dividend counterfoil and sending this to the Company's registrar, Computershare. Confirmation of dividends paid will be sent to shareholders at their registered address, unless other instructions have been given, to arrive on the payment date.

Dividend reinvestment scheme (DRIP)

Shareholders may request that their dividends be used to purchase further shares in the Company. Dividend reinvestment forms may be obtained from Computershare Investor Services PLC through their secure website www.investorcentre.co.uk, or by telephone on 0370 873 5879. Shareholders who have already opted to have their dividends reinvested do not need to reapply.

Share prices

The Company's mid-market share prices are quoted daily in The Financial Times and The Times under 'Investment Companies' and in The Daily Telegraph under 'Investment Trusts'. The share price is also available on the BlackRock website at www.blackrock.com/uk/brsa.

ISIN/SEDOL numbers

The ISIN/SEDOL numbers and mnemonic codes for the Company's ordinary shares are:

	<u>Ordinary shares</u>
ISIN	GBOOB7W0XJ61
SEDOL	B7W0XJ6
Reuters code	BRNA.L
Bloomberg code	BRNA LN

Shareholder information

continued

Dividend tax allowance

The annual tax-free allowance on dividend income across an individual's entire share portfolio reduced to £1,000 from 6 April 2023 and will reduce again to £500 from 6 April 2024.

Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company continues to provide registered shareholders with confirmation of the dividends paid and this should be included with any other dividend income received when calculating and reporting total dividend income received. It is a shareholder's responsibility to include all dividend income when calculating any tax liability.

If you have any tax queries, please contact a Financial Advisor.

Share dealing

Investors wishing to purchase more shares in the Company or sell all or part of their existing holding may do so through a stockbroker. Most banks also offer this service. Alternatively, please go to www.computershare.com/dealing/uk for a range of dealing services made available by Computershare.

CREST

The Company's shares may be held in CREST, an electronic system for uncertificated securities trading. Private investors can continue to retain their share certificates and remain outside the CREST system. Private investors are able to buy and sell their holdings in the same way as they did prior to the introduction of CREST, although there may be differences in dealing charges.

Risk factors

- Past performance is not necessarily a guide to future performance.
- The value of your investment in the Company and the income from it can fluctuate as the value of the underlying investments fluctuate.
- The price at which the Company's shares trade on the London Stock Exchange is not the same as their net asset value (NAV) (although they are related) and therefore you may realise returns which are lower or higher than NAV performance.

Nominee code

Where shares are held in a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance; and
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's general meetings.

Publication of net asset value/portfolio analysis

The net asset value (NAV) per share of the Company is calculated daily, with details of the Company's investments and performance being published monthly.

The daily NAV per share and monthly information are released through the London Stock Exchange's Regulatory News Service and are available on the BlackRock website at www.blackrock.com/uk/brsa, through the Reuters News Service under the code 'BLRKINDEX', on page 8800 on Topic 3 (ICV terminals) and under 'BLRK' on Bloomberg (monthly information only).

Individual Savings Accounts (ISAs)

ISAs are a tax-efficient method of investment and the Company's shares are eligible investments for inclusion within stocks and shares Individual Savings Accounts. In the 2023/2024 tax year investors have an annual ISA allowance of £20,000 (2022/2023: £20,000) which can be invested in either cash or shares.

Online access

Other details about the Company are available on the BlackRock website at www.blackrock.com/uk/brsa. The financial statements and other literature are published on the website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Shareholders can also manage their shareholding online by using Investor Centre, Computershare's secure website, at www.investorcentre.co.uk. To access Computershare's website, you will need your shareholder reference number (SRN) which can be found on paper or electronic communications you have previously received from Computershare. Listed below are the most frequently used features of the website

- Holding enquiry – view balances, values, history, payments and reinvestments.
- Payments enquiry – view your dividends and other payment types.
- Address change – change your registered address.
- Bank details update – choose to receive your dividend payment directly into your bank account instead of by cheque.
- e-Comms sign-up – choose to receive email notification when your shareholder communications become available instead of paper communications.
- Outstanding payments – reissue payments using the online replacement service.
- Downloadable forms – including dividend mandates, stock transfer, dividend reinvestment and change of address forms.

Shareholder enquiries

The Company's registrar is Computershare Investor Services PLC. Certain details relating to your holding can be checked through the Computershare Investor Centre website. As a security check, specific information needs to be input accurately to gain access to an individual's account. This includes your shareholder reference number, available from your share certificate, dividend confirmation statement or other electronic communications you have previously received from Computershare. The address of the Computershare website is www.investorcentre.co.uk. Alternatively, please contact the registrar on 0370 873 5879.

Changes of name or address must be notified in writing either through Computershare's website, or to the registrar at:

Computershare Investor Services PLC
The Pavilions
Bridgwater Road
Bristol BS99 6ZZ

General enquiries

Enquiries about the Company should be directed to:

The Secretary
BlackRock Sustainable American Income Trust plc
12 Throgmorton Avenue
London EC2N 2DL
Telephone: 020 7743 3000
Email: cosec@blackrock.com

Glossary

Alternative Performance Measure (APM)

An APM is a measure of performance or financial position that is not defined in applicable accounting standards and cannot be directly derived from the financial statements.

The Company's APMs are set out below and are cross-referenced where relevant to the financial inputs used to derive them as contained in other sections of the Half Yearly Financial Report.

Closed-end company

An investment trust works along the same lines as a unit trust, in that it pools money from investors which is then managed on a collective basis. The main difference is that an investment trust is a company listed on the Stock Exchange and, in most cases, trading takes place in shares which have already been issued, rather than through the creation or redemption of units. As the number of shares which can be issued or cancelled at any one time is limited, and requires the approval of existing shareholders, investment trusts are known as closed end funds or companies. This means that investment trusts are not subject to the same liquidity constraints as open ended funds and can therefore invest in less liquid investments.

Discount and premium*

Investment trust shares can frequently trade at a discount to NAV. This occurs when the share price (based on the mid-market share price) is less than the NAV and investors may therefore buy shares at less than the value attributable to them by reference to the underlying assets. The discount is the difference between the share price and NAV, expressed as a percentage of the NAV. As at 30 April 2023 the share price was 193.50p (30 April 2022: 210.00p; 31 October 2022: 197.50p) and the NAV was 199.97p (30 April 2022: 214.41p; 31 October 2022: 213.25p); therefore, the discount was 3.2% (30 April 2022: 2.1%; 31 October 2022: 7.4% (please see note 7 of the financial statements)).

A premium occurs when the share price (based on the mid-market share price) is more than the NAV and investors would therefore be paying more than the value attributable to the shares by reference to the underlying assets. For example, if the share price was 180.00p and the NAV 178.00p, the premium would be 1.1%.

Discounts and premiums are mainly the consequence of supply and demand for the shares on the stock market.

Gearing and borrowings

Investment companies can borrow to purchase additional investments. This is called 'gearing'. It allows investment companies to take advantage of a long-term view on a sector or to take advantage of a favourable situation or a particularly attractive stock without having to sell existing investments.

Gearing works by magnifying a company's performance. If a company 'gears up' and then markets rise and returns on the investments outstrip the costs of borrowing, the overall returns to investors will be even greater. But if markets fall and the performance of the assets in the portfolio is poor, then losses suffered by the investor will also be magnified.

The Company may achieve gearing through borrowings or the effect of gearing through an appropriate balance of equity capital and borrowings.

* Alternative Performance Measure.

Gearing is calculated in line with AIC guidelines and represents net gearing. This is defined as total assets of the Company less current liabilities (excluding bank overdrafts), less any cash or cash equivalents held minus total shareholders' funds, divided by total shareholders' funds. Cash and cash equivalents are defined by the AIC as net current assets or net current liabilities (as relevant). To the extent that the Company has net current liabilities, the net current liabilities total is added back to the total assets of the Company to calculate the numerator in this equation. The calculation and the various inputs are set out in the following table.

Net gearing calculation	Page	30 April 2023 £'000 (unaudited)	30 April 2022 £'000 (unaudited)	31 October 2022 £'000 (audited)	
Net assets	24	160,431	172,021	171,086	(a)
Borrowings	24	–	3,746	3,854	(b)
Total assets (a + b)		160,431	175,767	174,940	(c)
Current assets ¹	24	3,930	491	3,490	(d)
Current liabilities (excluding borrowings)	24	(1,499)	(1,389)	(3,975)	(e)
Cash and cash equivalents (d + e)		2,431	(898)	(485)	(f)
Net (cash)/gearing (g = (c - f - a)/ a) %		(1.5)	2.7	2.5	(g)

¹ Includes cash at bank and the Company's investment in the BlackRock Institutional Cash Series plc – US Dollar Liquid Environmentally Aware Fund.

Leverage

Leverage is defined in the AIFM Directive as 'any method by which the AIFM increases the exposure of an AIF it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions or by any other means'.

Leverage is measured in terms of 'exposure' and is expressed as a ratio of net asset value:

$$\text{Leverage ratio} = \frac{\text{Total assets}}{\text{Net assets}}$$

The Directive sets out two methodologies for calculating exposure. These are the Gross Method and the Commitment Method. The treatment of cash and cash equivalent balances in terms of calculating what constitutes an 'exposure' under AIFMD differs for these two methods. The definitions for calculating the Gross Method exposures require that 'the value of any cash and cash equivalents which are highly liquid investments held in the base currency of the AIF, that are readily convertible to a known amount of cash, are subject to an insignificant risk of change in value and provide a return no greater than the rate of a three-month high quality government bond' should be excluded from exposure calculations.

Glossary

continued

NAV and share price return (return with dividends reinvested)*

Performance statistics enable the investor to make performance comparisons between investment trusts with different dividend policies. The performance measures the combined effect of any dividends paid, together with the rise or fall in the share price or NAV. This is calculated by the movement in the share price or NAV plus the dividends paid by the Company assuming these are reinvested in the Company at the prevailing NAV/share price (please see note 7 of the financial statements for the inputs to the calculations).

NAV total return	Page	Six months to 30 April 2023 (unaudited)	Six months to 30 April 2022 (unaudited)	Year ended 31 October 2022 (audited)
Closing NAV per share (pence)	29	199.97	214.41	213.25
Add back quarterly dividends (pence)	23	4.00	4.00	8.00
Effect of dividend reinvestment (pence)		(0.05)	0.04	0.12
Adjusted closing NAV (pence)		203.92	218.45	221.37 (a)
Opening NAV per share (pence)	29	213.25	206.08	206.08 (b)
NAV total return (c = ((a - b)/b)) (%)		(4.4)	6.0	7.4 (c)

Share price total return	Page	Six months to 30 April 2023 (unaudited)	Six months to 30 April 2022 (unaudited)	Year ended 31 October 2022 (audited)
Closing share price (pence)	29	193.50	210.00	197.50
Add back quarterly dividends (pence)	23	4.00	4.00	8.00
Effect of dividend reinvestment (pence)		0.02	0.12	(0.17)
Adjusted closing share price (pence)		197.52	214.12	205.33 (a)
Opening share price (pence)	29	197.50	198.25	198.25 (b)
Share price total return (c = ((a - b)/b)) (%)		0.0	8.0	3.6 (c)

Net asset value per share (cum income NAV)

This is the value of the Company's assets attributable to one ordinary share. It is calculated by dividing 'equity shareholders' funds' by the total number of ordinary shares in issue (excluding treasury shares). For example, as at 30 April 2023, equity shareholders' funds were worth £160,431,000 (30 April 2022: £172,021,000; 31 October 2022: £171,086,000) and there were 80,229,044 (30 April 2022: 80,229,044; 31 October 2022: 80,229,044) ordinary shares in issue (excluding treasury shares); the undiluted NAV was therefore 199.97p (30 April 2022: 214.41p; 31 October 2022: 213.25p) per ordinary share (please see note 7 of the financial statements for the inputs to the calculations).

Equity shareholders' funds are calculated by deducting from the Company's total assets, its current and long-term liabilities and any provision for liabilities and charges.

Net asset value per share (capital only NAV)*

The capital only NAV focuses on the value of the Company's assets disregarding the current period revenue income, on the basis that most trusts will distribute substantially all of their income in any financial period. It is calculated by dividing 'equity shareholders' funds' (excluding current period revenue) by the total number of ordinary shares in issue.

As at 30 April 2023, equity shareholders' funds (excluding current year net revenue) amounted to £160,123,000 (30 April 2022: £171,834,000; 31 October 2022: £170,367,000) and there were 80,229,044 (30 April 2022: 80,229,044; 31 October 2022: 80,229,044) ordinary shares in issue (excluding treasury shares); therefore, the capital only NAV was 199.58p (30 April 2022: 214.18p; 31 October 2022: 212.35p).

* Alternative Performance Measure.

Equity shareholders' funds (excluding current period revenue) of £160,123,000 (30 April 2022: £171,834,000; 31 October 2022: £170,367,000) are calculated by deducting from the Company's net assets of £160,431,000 (30 April 2022: £172,021,000; 31 October 2022: £171,086,000) its current period revenue of £1,604,000 (30 April 2022: £1,463,000; 31 October 2022: £3,081,000) and adding back the interim dividends paid from revenue of £1,296,000 (30 April 2022: £1,276,000; 31 October 2022: £2,362,000).

Ongoing charges ratio*

$$\text{Ongoing charges (\%)} = \frac{\text{Annualised ongoing charges}}{\text{Average undiluted net asset value in the period}}$$

Ongoing charges are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company as a collective fund. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs and include the annual management charge.

As recommended by the AIC in its guidance, ongoing charges are calculated using the Company's annualised recurring revenue and capital expenses (excluding finance costs, direct transaction costs, custody transaction charges, VAT recovered, taxation, prior year expenses written back and certain non-recurring items) expressed as a percentage of the average daily net assets of the Company during the year.

The inputs that have been used to calculate the ongoing charges percentage are set out in the following table.

Ongoing charges calculation	Page	31 October 2022 £'000 (audited)	31 October 2021 £'000 (audited)
Management fee	27	1,197	1,137
Other operating expenses ^{1,2}	28	513	482
Total management fee and other operating expenses		1,710	1,619 (a)
Average daily net assets in the year		169,755	152,303 (b)
Ongoing charges (c = a/b) %		1.01	1.06 (c)

¹ Excluding the write back of prior year expenses totalling £101,000 in the year ended 31 October 2022 (31 October 2021: £nil).

² Excluding non-recurring expenses relating to the change of name of the Company and the update of the Company's investment objective and investment policy of £65,000 incurred during the year ended 31 October 2021.

Quoted securities and unquoted securities

Quoted securities are securities that trade on an exchange for which there is a publicly quoted price. Unquoted securities are financial securities that do not trade on an exchange and for which there is not a publicly quoted price.

Reference index

The Company's reference index, used for performance comparative purposes, is the Russell 1000 Value Index, calculated in Sterling terms with dividends reinvested.

* Alternative Performance Measure.

Glossary

continued

Revenue profit and revenue reserve

Revenue profit is the net revenue income earned after deduction of fees and expenses allocated to the revenue account and taxation suffered by the Company. The revenue reserve is the undistributed income that the Company keeps as reserves. Investment trusts do not have to distribute all the income they generate after expenses. They may retain up to 15% of revenue generated which will be held in a revenue reserve. This reserve can be used at a later date to supplement dividend payments to shareholders.

Treasury shares

Treasury shares are shares that a company keeps in its own treasury which are not currently issued to the public. These shares do not pay dividends, have no voting rights and are not included in a company's total issued share capital amount for calculating percentage ownership. Treasury stock may have come from a repurchase or buy back from shareholders, or it may never have been issued to the public in the first place. Treasury shares may be reissued from treasury to the public to meet demand for a company's shares in certain circumstances.

Yield*

The yield is the amount of cash (in percentage terms) that is returned to the owners of the security, in the form of interest or dividends received from it. Normally, it does not include price variations, distinguishing it from the total return.

Yield	Page	30 April 2023	30 April 2022	31 October 2022	
Interim and final dividends paid/payable (pence) ¹	23	8.00	8.00	8.00	(a)
Ordinary share price (pence)	29	193.50	210.00	197.50	(b)
Yield (c = a/b) (%)		4.1	3.8	4.1	(c)

¹ Comprising dividends declared/paid for the twelve months to 30 April and 31 October.

* Alternative Performance Measure.

Share fraud warning

Be ScamSmart



Investment scams are designed to look like genuine investments



Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls

If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List

The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice

Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at www.fca.org.uk/consumers. You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!

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