

Supplementary Disclosure
Document No. 1

iShares Institutional Index Funds
Disclosure Document

Issued by BlackRock Investment Management (Australia) Limited
ABN 13 006 165 975
Australian Financial Services Licence No 230523
Date: 29 April 2022

This Supplementary Disclosure Document No. 1 (**Supplementary DD No. 1**) updates the iShares Institutional Index Funds Disclosure Document dated 16 April 2021 (**Disclosure Document**). This Supplementary DD No. 1 must be read in conjunction with the Disclosure Document.

All changes will take effect from the date of issue of this Supplementary DD No. 1, unless otherwise stated.

[Purpose of this Supplementary DD No. 1](#)

iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) (ARSN: 615 330 437) (Fund)

Index Change

The Fund index will be changed to the MSCI World Custom ESG Screened Index.

Accordingly, all references in the Disclosure Document to “MSCI World ex-Tobacco ex Controversial ex Nuclear Weapons Net TR Index” are replaced with “MSCI World Custom ESG Screened Index”.

Additional changes

Removal of reference to closed fund

The following row is deleted from the table under the heading “Management fees charged inside the Fund” in section 15.2 of the Disclosure Document:

iShares Australian Government Inflation Linked Bond Index Fund (Class E Units)	0.10
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Complaints handling timeframes

Effective from 5 October 2021, references to “45 days” in section 18.1 of the Disclosure Document are replaced with “30 calendar days”.

Terms used in this Supplementary DD No. 1 have the same meaning as in the Disclosure Document, unless otherwise stated. Prior to investing in the Fund, a prospective investor must take into account and accept the foregoing information, as well as the information disclosed in the Disclosure Document.

iShares Institutional Index Funds Disclosure Document



Dated: 16 April 2021

iShares ESG Australian Bond Index Fund (Class E Units)

ARSN 630 334 164

iShares ESG Global Bond Index Fund (Class E Units)

ARSN 633 312 286

iShares Emerging Markets IMI Equity Index Fund

ARSN 142 291 423

iShares Hedged International Equity Index Fund (Class E Units)

ARSN: 095 723 710

iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units)

ARSN 615 330 437

iShares Wholesale Australian Bond Index Fund

ARSN 090 168 595

iShares Wholesale Australian Equity Index Fund

ARSN 090 167 936

iShares Wholesale Australian Listed Property Index Fund

ARSN 090 688 154

iShares Global Listed Property Index Fund (Hedged Class E Units)

ARSN 637 310 537

iShares Wholesale International Equity Index Fund

ARSN 088 154 401

BlackRock Investment Management (Australia) Limited

ABN 13 006 165 975

Australian Financial Services Licence No 230523

iShares Institutional Index Funds

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Important information

The information provided in this Disclosure Document is general information only and does not take into account your individual objectives, financial situation, needs or circumstances. You should therefore assess whether the information is appropriate for you and obtain financial advice tailored to you having regard to your individual objectives, financial situation, needs and circumstances.

You cannot invest directly in the Funds unless you use the Funds' Application Form accompanying either a paper or electronic copy of this Disclosure Document. If you have received this document electronically, we will provide a paper copy free of charge upon request. If you are printing an electronic copy of this document, you should print all pages.

We have absolute discretion to accept, reject or limit any application for investment into a Fund and reserve the right to change the terms and conditions of the offer contained in this Disclosure Document at any time. If any part of this Disclosure Document is established to be invalid or unenforceable under the law, it is excluded so that it does not in any way affect the validity or enforceability of the remaining parts.

We reserve the right to outsource any or all investment, management and administration functions, including to related parties, without notice to investors.

Updated information that is not materially adverse can be obtained from our website at www.blackrock.com/au. A paper copy of any updated information is available free of charge upon request.

This Disclosure Document can only be used by investors receiving it (electronically or otherwise) in Australia. It is not available in any other country. This Disclosure Document is not an offer to any person or in any place in which it is unlawful to make such an offer. Units in the Funds have not been, and will not be, registered under the U.S. Securities Act of 1933 or the securities laws of any of the states of the United States of America (U.S.). The Funds are not and will not be registered as an investment company under the U.S. Investment Company Act of 1940. Investment in units of the Funds by or on behalf of U.S. persons is not permitted.

Units in the Funds may not at any time be offered, sold, transferred or delivered within the United States or to, or for the account or benefit of, a U.S. person. Any issue, sale or transfer in violation of this restriction will not be binding upon the relevant Fund and may constitute a violation of U.S. law.

Incorporation by Reference

Certain Fund information is provided to you separately to this Disclosure Document.

Where you see reference to "Additional information has been incorporated by reference" this means that additional information concerning the topic has been incorporated by reference and forms part of the Disclosure Document. This additional information can be found in the BlackRock Institutional Funds Additional Information document, which is available free of charge upon request from our Client Service Centre, please see below contact information. You should read this information before making an investment decision. This material may change between the time when you read this Disclosure Document and when you acquire the product.

Responsible Entity contact details

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1. About BlackRock Investment Management (Australia) Limited

BlackRock Investment Management (Australia) Limited, ABN 13 006 165 975 (referred to in this Disclosure Document as **BlackRock**, the **Responsible Entity**, the **Manager**, **we**, **our** or **us**) is the responsible entity and the issuer of units in the following Funds:

- ▶ iShares ESG Australian Bond Index Fund;
- ▶ iShares ESG Global Bond Index Fund;
- ▶ iShares Emerging Markets IMI Equity Index Fund;
- ▶ iShares Hedged International Equity Index Fund;
- ▶ iShares Wholesale Screened International Equity Index Fund;
- ▶ iShares Wholesale Australian Bond Index Fund;
- ▶ iShares Wholesale Australian Equity Index Fund;
- ▶ iShares Wholesale Australian Listed Property Index Fund;
- ▶ iShares Global Listed Property Index Fund; and
- ▶ iShares Wholesale International Equity Index Fund.

(each a **Fund** and collectively the **Funds**).

BlackRock is a wholly owned subsidiary of BlackRock, Inc.® (**BlackRock Inc**) but is not guaranteed by BlackRock Inc, or any BlackRock Inc subsidiary or associated entity (the **BlackRock Group**).

Any losses in a Fund will be borne solely by unitholders in the Fund and not by BlackRock Inc or any of its respective affiliates or subsidiaries (collectively **BlackRock**). Therefore, BlackRock's losses in a Fund will be limited to losses attributable to any ownership interest in the Fund held by BlackRock in its capacity as investors in the Fund.

Ownership interests in a Fund: (i) are not deposits, obligations of or endorsed or guaranteed in any way by BlackRock; (ii) are not insured by the U.S. Federal Deposit Insurance Corporation, the U.S. Federal Reserve Board or any other U.S. Governmental Agency; and (iii) are subject to investment risks, including the possible loss of the principal amount invested.

2. How we manage your money

Our investment style is based on our belief that people, leveraged by technology, are central to the consistent achievement of our clients' investment goals.

We believe that a focus on total performance management is the best way to achieve superior investment results. Through total performance management, we aim to understand; measure; forecast; and manage the three dimensions of investment performance — return, risk and cost.

3. About the iShares ESG Australian Bond Index Fund (Class E Units)

The information in section 3 of this Disclosure Document relates solely to the iShares ESG Australian Bond Index Fund (Class E Units) (referred to in this section 3 of the Disclosure Document as the Fund).

3.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the return of a customised Bloomberg Barclays MSCI Australian Socially Responsible (SRI) and ESG-weighted Index (referred to in this section 3 of the Disclosure Document as the **Index**).

3.2 Investment strategy

The Fund is passively managed and seeks to provide investors with a low-cost, income generating investment option that specifically screens for improved ESG outcomes.

The Fund excludes corporate bond issuers associated with fossil fuels, alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, military weapons, civilian firearms and nuclear power. The definitions for exclusions are based on the Bloomberg Barclays Index exclusion methodology. The Index provider's ESG screening process is conducted only within the corporate sector. It does not include securities in the government, government-related or securitised sectors. Bonds issued by these non-ESG screened entities and issuers may still be contained in the Fund.

We believe that stratified sampling is the most appropriate investment strategy to track the performance of the Index as it takes into account liquidity, transaction cost impact and overall risk relative to the Index.

Stratified sampling involves choosing a subset of Index eligible securities to create a portfolio that behaves like the Index. In many cases, holding every security in the Index is not cost effective, as illiquid or thinly traded securities incur higher transaction costs and wider bid-ask spreads. By investing in a subset of securities that combine to match the overall risk profile of the Index the Fund avoids incurring unnecessary trading costs, which can detract from total Fund returns.

A stratified sampling approach is usually accomplished by dividing the Index into strata or "cells" along some of the more common fixed income security attributes such as maturity, sector and credit quality. Securities are then chosen that have similar risk and return characteristics that replicate each of the cells and in units consistent with Index exposures.

Capturing additional returns

To overcome the impact that transaction costs and cash drag can have on relative performance, we undertake several value-adding strategies such as:

- ▶ **Cash-flow management:** We can use exchange-traded bond futures contracts to manage bond coupon flows to minimise market impact and therefore achieve a less-costly approach to trading.
- ▶ **Anticipating Index changes:** Through our knowledge of the Index rules, we try to anticipate future Index additions and deletions before they are announced.
- ▶ **Buying new bonds in the primary market:** This avoids the need to purchase a scarce bond in the secondary market at month-

end and takes advantage of any spread concession offered when the security is first issued.

3.3 What the Fund invests in

The Fund invests in Australian fixed income securities that form the Index. The Fund's investment strategy aims to remain fully exposed to the ESG-screened Australian bond market, with cash exposure being maintained at a minimum, which may be, where practicable, bondised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

4. About the iShares ESG Global Bond Index Fund (Class E Units)

The information in section 4 of this Disclosure Document relates solely to the iShares ESG Global Bond Index Fund (Class E Units) (referred to in this section 4 of the Disclosure Document as the Fund).

4.1 Investment Objective

The Fund aims to provide investors with the performance of the custom benchmark, before fees, less interest, withholding taxes and the cost of currency hedging, as measured by the return of the Bloomberg Barclays MSCI Global Aggregate SRI Select ex-Fossil Fuels index (AUD hedged) (referred to in this section 4 of the Disclosure Document as the **Index**). The benchmark also excludes treasury and government-related issuers with an MSCI ESG government rating below "BB".

4.2 Investment Strategy

The Fund is passively managed and seeks to provide investors with a low-cost, income generating investment option that specifically screens for improved ESG outcomes.

The Fund excludes corporate bond issuers associated with fossil fuels, alcohol, tobacco, gambling, adult entertainment, genetically modified organisms, military weapons, civilian firearms and nuclear power. The definitions for exclusions are based on the Bloomberg Barclays Index exclusion methodology. The Index provider's ESG screening process is conducted only within the corporate sector. It does not include securities in the government, government-related or securitised sectors. Bonds issued by these non-ESG screened entities and issuers may still be contained in the Fund.

We believe that stratified sampling is the most appropriate investment strategy to track the performance of the Index as it takes into account liquidity, transaction cost impact and overall risk relative to the Index.

Stratified sampling involves choosing a subset of Index eligible securities to create a portfolio that behaves like the Index. In many cases, holding every security in the Index is not cost effective, as illiquid or thinly traded securities incur higher transaction costs and wider bid-ask spreads. By investing in a subset of securities that combine to match the overall risk profile of the Index the Fund avoids incurring unnecessary trading costs, which can detract from total Fund returns.

A stratified sampling approach is usually accomplished by dividing the Index into strata or "cells" along some of the more common fixed income security attributes such as maturity, sector and credit quality. Securities are then chosen that have similar risk and return characteristics that replicate each of the cells and in units consistent with Index exposures.

Once the portfolio is determined, we have two objectives, to add value subject to our tolerated tracking error and to minimise transaction costs. To this end, we look to trade consistently with the Index. It also means that we monitor the Index structure to anticipate changes.

4.3 What the Fund invests in

To achieve its investment objective the Fund invests in the global fixed interest securities that form the Index. The Fund implements its passive currency hedge via the use of currency forwards and may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock funds) for cash flow management purposes.

5. About the iShares Emerging Markets IMI Equity Index Fund

The information in section 5 of this Disclosure Document relates solely to the iShares Emerging Markets IMI Equity Index Fund (referred to in this section 5 of the Disclosure Document as the Fund).

5.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI Emerging Markets IMI ex Tobacco ex Controversial ex Nuclear Weapons Net TR Index (unhedged in AUD) (referred to in this section 5 of the Disclosure Document as the **Index**).

5.2 Investment strategy

We believe that optimisation is the most appropriate investment strategy to track the performance of the Index due to the inclusion of a number of small cap stocks within the Index, which may experience low liquidity.

Our optimisation methodology uses risk modelling to build a portfolio with a subset of the emerging market equities that form the Index, to mimic the characteristics of the full Index.

5.3 What the Fund invests in

The Fund invests in emerging market equity securities that form the Index. The Fund's investment strategy aims to remain fully exposed to the emerging market equity market, with cash exposure being maintained at a minimum, which may be, where practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

6. iShares Hedged International Equity Index Fund

The information in section 6 of this Disclosure Document relates solely to the iShares Hedged International Equity Index Fund (referred to in this section 6 of the Disclosure Document as the Fund).

6.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees and the cost of hedging, as measured by the MSCI World ex-Australia Net TR Index (hedged in AUD) (referred to in this section 6 of the Disclosure Document as the **Index**).

6.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

A passive currency hedge is applied, which seeks to minimise the effect of currency fluctuations on returns by converting the currency exposure of the Index back to Australian dollars. This type of hedging strategy involves the forward sale of a set of currencies in amounts that correspond to the beginning of period value of the international assets in the portfolio. The hedge is then reset periodically or as required, to account for any changes in the value of the international assets in the portfolio.

6.3 What the Fund invests in

To achieve its investment objective the Fund invests in units of the iShares Wholesale International Equity Index Fund (**Underlying Fund**), another fund managed by us that has the same (unhedged) investment strategy as the Fund. The Fund also invests in currency forward contracts, which are used to implement the passive currency hedge. The Underlying Fund invests in the international developed market stocks that form the Index. Derivatives, such as futures, forwards and options can be used to manage risk and return. When derivative positions are established, they will always be backed by cash holdings and/or underlying assets. Derivative securities will not be used to gear the Fund or Underlying Fund.

The Fund and Underlying Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock funds) for cash flow management purposes.

The Fund's investment strategy aims to remain fully exposed to the international developed stock market, with cash exposure being maintained at a minimum, which may be, wherever practicable, equitised using index futures.

7. About the iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units)

The information in section 7 of this Disclosure Document relates solely to the iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) (referred to in this section 7 of the Disclosure Document as the Fund).

7.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI World ex-Tobacco ex Controversial ex Nuclear Weapons Net TR Index (unhedged in AUD) (referred to in this section 7 of the Disclosure Document as the **Index**).

7.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

7.3 What the Fund invests in

The Fund invests in the international developed market equity securities that form the Index. The Fund's investment strategy aims

to remain fully exposed to the international developed equity market, with cash exposure being maintained to a minimum, which may be, wherever practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

8. About the iShares Wholesale Australian Bond Index Fund

The information in section 8 of this Disclosure Document relates solely to the iShares Wholesale Australian Bond Index Fund (referred to in this section 8 of the Disclosure Document as the Fund).

8.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the Bloomberg AusBond Composite 0+ Yr IndexSM (referred to in this section 8 of the Disclosure Document as the **Index**).

8.2 Investment strategy

We believe that stratified sampling is the most appropriate investment strategy to track the performance of the Index as it takes into account liquidity, transaction cost impact and overall risk relative to the Index.

Stratified sampling involves choosing a subset of Index eligible securities to create a portfolio that behaves like the Index. In many cases, holding every security in the Index is not cost effective, as illiquid or thinly traded securities incur higher transaction costs and wider bid-ask spreads. By investing in a subset of securities that combine to match the overall risk profile of the Index the Fund avoids incurring unnecessary trading costs, which can detract from total Fund returns.

A stratified sampling approach is usually accomplished by dividing the Index into strata or "cells" along some of the more common fixed income security attributes such as maturity, sector and credit quality. Securities are then chosen that have similar risk and return characteristics that replicate each of the cells and in units consistent with Index exposures.

Capturing additional returns

To overcome the impact that transaction costs and cash drag can have on relative performance, we undertake several value-adding strategies such as:

- ▶ **Cash-flow management:** We can use exchange-traded bond futures contracts to manage bond coupon flows to minimise market impact and therefore achieve a less-costly approach to trading.
- ▶ **Anticipating Index changes:** Through our knowledge of the Index rules, we try to anticipate future Index additions and deletions before they are announced.
- ▶ **Buying new bonds in the primary market:** This avoids the need to purchase a scarce bond in the secondary market at month-end and takes advantage of any spread concession offered when the security is first issued.

8.3 What the Fund invests in

The Fund invests in Australian fixed income securities that form the Index. The Fund's investment strategy aims to remain fully exposed to the Australian bond market, with cash exposure being

maintained at a minimum, which may be, where practicable, bonded using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

9. About the iShares Wholesale Australian Equity Index Fund

The information in section 9 of this Disclosure Document relates solely to the iShares Wholesale Australian Equity Index Fund (referred to in this section 9 of the Disclosure Document as the Fund).

9.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the S&P/ASX 300 TR Index (referred to in this section 9 of the Disclosure Document as the Index).

9.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

Capturing additional returns

To overcome the impact that transaction costs and cash drag can have on relative performance, we undertake value-added strategies such as:

- ▶ **Cash-flow management:** We use share price index (SPI) futures contracts where it is cheaper than trading in physical securities, to minimise market impact and to take a patient and, therefore, less-costly approach to trading.
- ▶ **Managing Index changes:** We use strategies to sell deleted stocks at higher prices than the final Index price and to buy incoming stocks at lower prices than which they are added to the Index.
- ▶ **Anticipating Index changes:** Through our knowledge of the Australian Securities Exchange's index rules, we try to anticipate future Index additions and deletions before they are announced.
- ▶ **Enrolling in dividend-reinvestment plans:** We enrol in dividend-reinvestment plans where we think it adds significant benefit to receive shares at discounts and to gain premiums relative to the Index.
- ▶ **Taking part in initial public offerings and placements:** Judging whether to take part in floats and placements is an important part of index management. We conduct thorough analysis on when new listings and issues may enter the Index and on the prices at which they may enter, before deciding to take controlled positions in floats or placements.

9.3 What the Fund invests in

The Fund invests in the Australian equity securities that form the Index. The Fund's investment strategy aims to remain fully exposed to the Australian equity market, with cash exposure being maintained at a minimum, which may be, where practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

10. About the iShares Wholesale Australian Listed Property Index Fund

The information in section 10 of this Disclosure Document relates solely to the iShares Wholesale Australian Listed Property Index Fund (referred to in this section 10 of the Disclosure Document as the Fund).

10.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the S&P/ASX 300 A-REIT TR Index (referred to in this section 10 of the Disclosure Document as the Index).

10.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

10.3 Capturing additional returns

To overcome the impact that transaction costs and cash drag can have on relative performance, we undertake value-added strategies such as:

- ▶ **Cash-flow management:** We use the SPI Futures contract where it is cheaper than trading in physical securities, to minimise market impact and to take a patient and, therefore, less-costly approach to trading.
- ▶ **Managing Index changes:** We use strategies to sell deleted stocks at higher prices than the final Index price and to buy incoming stocks at lower prices than which they are added to the Index.
- ▶ **Anticipating Index changes:** Through our knowledge of the Australian Securities Exchange's index rules, we try to anticipate future Index additions and deletions before they are announced.
- ▶ **Enrolling in dividend-reinvestment plans:** We enrol in dividend-reinvestment plans where we think it adds significant benefit to receive shares at discounts and to gain premiums relative to the Index.
- ▶ **Taking part in initial public offerings and placements:** Judging whether to take part in floats and placements is an important part of index management. We conduct thorough analysis on when new listings and issues may enter the Index and on the prices at which they may enter, before deciding to take controlled positions in floats or placements.

10.4 What the Fund invests in

The Fund invests in the Australian REITs that form the Index. The Fund's investment strategy aims to remain fully exposed to the Australian REIT market, with cash exposure being maintained to a minimum, which may be, where practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

11. About the iShares Global Listed Property Index Fund (Hedged Class E Units)

The information in section 11 of this Disclosure Document relates solely to the iShares Global Listed Property Index Fund (Class E Units) (referred to in this section 11 of the Disclosure Document as the Fund).

11.1 Investment Objective

The Fund aims to provide investors with the performance of the market (before fees and the cost of hedging) as measured by the return of the FTSE EPRA/NAREIT Developed Index Net TR Index (AUD Hedged) (referred to in this section 11 of the Disclosure Document as the **Index**).

11.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

11.3 What the Fund invests in

The Fund is passively managed and seeks to provide investors with a low-cost exposure to global listed property securities.

The Fund invests in the Global REITs that form the Index. The Fund's investment strategy aims to remain fully exposed to the Global REIT market, with cash exposure being maintained to a minimum, which may be, wherever practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

12. About the iShares Wholesale International Equity Index Fund

The information in section 12 of this Disclosure Document relates solely to the iShares Wholesale International Equity Index Fund (referred to in this section 12 of the Disclosure Document as the Fund).

12.1 Investment Objective

The Fund aims to provide investors with the performance of the market, before fees, as measured by the MSCI World ex-Australia Net TR IndexSM (unhedged in AUD) (referred to in this section 12 of the Disclosure Document as the **Index**).

12.2 Investment strategy

We believe that replication is the most appropriate investment strategy to track the performance of the Index as risk relative to the Index is minimised. Portfolios automatically rebalance, which minimises turnover and trading costs.

Our replication approach aims to replicate as closely as possible the constituents of the Index, while considering transaction costs.

12.3 What the Fund invests in

The Fund invests in the international developed market equity securities that form the Index. The Fund's investment strategy aims to remain fully exposed to the international developed equity market, with cash exposure being maintained to a minimum, which

may be, wherever practicable, equitised using index futures contracts.

The Fund may also hold a small allocation of cash (or cash equivalents that may include units in other BlackRock managed investment schemes) for cash flow management purposes.

13. Additional Information about the Funds

13.1 Use of derivatives

The Funds may invest in derivatives, such as futures, forwards and options to manage risk and return, including the equitisation/bondisation of any cash exposure. When derivative positions are established, they will always be backed by cash holdings and/or underlying assets. Derivative securities will not be used to leverage exposures.

13.2 Borrowing

While the constitution of each Fund allows the Responsible Entity to borrow, it is our intention that no borrowing arrangements will be entered into other than temporary overdrafts, which may be used as a means of managing certain cash flows.

13.3 Securities Lending

The iShares Wholesale Australian Bond Index Fund, iShares ESG Australian Bond Index Fund and iShares ESG Global Bond Index Fund can each participate in a securities lending program managed by BlackRock and the Funds' custodian. As part of this program, the Australian and global fixed income securities held by the Funds are lent to approved borrowers for a fee. The collected fee represents securities lending income, which generates additional investment returns for the Funds. Borrowers are required to provide collateral, which exceeds the loan value each day. The custodian continuously monitors borrower credit quality, places loan limits on each borrower and provides indemnification in the event of borrower default. While participation in the securities lending program requires the payment of securities lending agent fees, all fees are paid for out of any generated securities lending income. If no securities lending income is generated, no securities lending agent fees will be payable.

14. Fund risks

All investments carry risk. Different strategies may carry different levels of risk, depending on the assets that make up the strategy. Assets with the highest long-term returns may also carry the highest level of short-term risk.

Returns are not guaranteed. Future returns may differ from past returns and investors may lose some or all of their investment.

The appropriate level of risk for each investor will vary depending on a range of factors including age, investment time frames, where other parts of the investor's wealth is invested and the investor's risk tolerance.

14.1 Specific risks of investing in the Funds

Specific risks of investing in the Funds include, but are not limited to:

Derivative risk. The Funds may be exposed to derivative securities. The use of derivatives expose a fund to different risks as opposed to investing directly in a security. For example, derivatives can cause a fund to make greater gains or incur greater losses than the gains and losses of the underlying security in relation to which the derivative derives its value.

Derivative transactions may be subject to the risk that a counterparty to the transaction will wholly or partially fail to perform their contractual obligations under the arrangement (including failing to meet collateral requirements under the arrangement). Additionally, OTC markets are not guaranteed by an exchange or clearing corporation and generally do not require payment of margin. To the extent that a fund has unrealised gains in such instruments or has deposited collateral with its counterparty that fund is at risk that its counterparty will become bankrupt or otherwise fail to honour its obligations. Derivative transactions may also expose a fund to a risk of potential illiquidity if the derivative instrument is difficult to purchase or sell.

The BlackRock Group attempts to minimise these risks by engaging in derivative transactions only with financial institutions that have substantial capital or that have provided a third-party guarantee or other credit enhancement.

Equity security risk. A number of the Funds invest in equity securities. Equity securities are subject to changes in value, and their values may be more volatile than those of other asset classes. Dividend payments from shares may also vary over time.

Fixed income securities risk. A number of the Funds invest in fixed income securities. There are a number of risks associated with an investment in fixed income securities, which can result in significant variability in investment returns and a loss of income or capital value. These include:

- ▶ **Credit risk.** The value of a fund investing in fixed income securities is affected by the perceived or actual credit worthiness of the issuer of the security. A perceived or actual deterioration of credit quality (e.g. an issuer credit downgrade or credit event leading to a revised premium attributable to investment due to credit worthiness downgrade) of a fixed income security will adversely impact the value of such investment.
- ▶ **Interest rate risk.** An increase in interest rates will cause the values of fixed income securities, in particular fixed rate securities, to decline, which will in turn impact the returns of a fund investing in such securities. Interest rate risk is generally lower for shorter term fixed income investments and higher for longer term fixed income investments.
- ▶ **Income risk.** A fund investing in fixed income securities may experience a decline in income where market interest rates are falling. This can result when a fund reinvests in securities at a lower yield than the current fund portfolio yield.
- ▶ **Issuer risk.** Corporate issuers of fixed income securities may willingly or unwillingly default on their obligation to make interest or principal payments. Similarly, sovereign issuers (i.e. governments of a country or an agency backed by a government) may refuse to comply with their obligations during economically difficult or politically volatile times. Such events may cause a downgrade in the credit rating of an issuer and/or its fixed income security, which in turn may cause the value of the fixed income security to fall. There is also no assurance that an issuer of fixed income securities will continue to issue the fixed income securities or keep that particular fixed income securities market open.
- ▶ **Spread risk.** The prevailing rates of compensation for creditworthiness of issuers of instruments (spread) is affected by market factors including sentiment, supply and demand and general economic conditions. A change in these factors, which impact spread, can negatively impact the yield earned by a fund investing in credit instruments.

Foreign investment risk. Funds investing in securities or derivative instruments issued in foreign markets may be exposed to certain risks associated with:

- ▶ differences between countries in relation to accounting, financial reporting, taxation, legal, regulatory, pricing and liquidity requirements; and settlement and clearance procedures;
- ▶ currency risk, the risk that foreign currencies change in value relative to the Australian dollar, which may affect a fund's investment returns. These movements may either add to or subtract from performance. Passive currency management may be undertaken, however, it may not be possible to perfectly match performance of the hedging relative to that of its benchmark; and
- ▶ the countries to which the Fund is exposed may be subject to considerable degrees of economic, political and social instability, which may reduce or preclude the ability to trade security exposures or negatively affect a security's value.

Index related risk. In order to meet their investment objective, the Funds will seek to achieve a return that reflects the return of its index, as published by the index provider. While index providers do provide a description of what each index is designed to achieve, index providers do not generally provide any warranty or accept any liability in relation to the quality, accuracy or completeness of data in respect of their indices, nor any guarantee that the published index will be in line with their described benchmark index methodologies. Errors in respect of the quality, accuracy and completeness of the data may occur from time to time and may not be identified and corrected for a period of time, in particular where an index is less commonly used. During a period where an index contains incorrect constituents, a fund benchmarked to that index would have market exposure to such constituents. As such, errors may potentially result in a negative or positive performance impact to the fund and to its unitholders. Apart from scheduled rebalances, index providers may carry out additional ad hoc rebalances to their benchmark indices in order, for example, to correct an error in the selection of index constituents. Where the index is rebalanced and a fund in turn rebalances its portfolio to bring it in line with the index, any transaction costs and market exposure arising from such portfolio rebalancing will be borne by the fund and, by extension, the fund's unitholders. Therefore, errors and additional ad hoc rebalances carried out by an index provider may increase the costs and market exposure risk of a fund. BlackRock does not provide a warranty or guarantee in respect of index provider errors.

Liquidity risk. The Funds may be exposed to securities with limited liquidity, which are in practice infrequently traded or for which typical daily volumes traded are small. It may not be possible to sell such securities when it is desirable to do so or to realise what the manager perceives to be their fair value in the event of a sale. The general level of market liquidity also varies and may deteriorate. Such a deterioration may negatively impact the ability to trade fund securities and may negatively affect the price at which a trade is executed. These circumstances could impair a fund's ability to make distributions to a redeeming unit holder in a timely manner and a fund may need to consider suspending redemptions. The BlackRock Group aims to reduce these risks by understanding the liquidity characteristics of securities a fund is exposed to and plans trading so as to minimise the adverse consequences of low liquidity.

New fund risk. A fund may have been recently established and as a result have little or no operating history upon which investors can

evaluate the anticipated performance of the investment. Any performance information will therefore be short term in nature. The BlackRock Group team appointed to manage the investment strategy of each fund specialises in the management of indexed investment strategies. Further, the team is supported by the BlackRock Group's proprietary risk management platform.

Property risk. The iShares Wholesale Australian Listed Property Index Fund invests in Australian listed REITs. The risk level varies between development property (higher risk) and existing property (lower risk). Property also tends to have a unique cycle, which is different to shares and other asset classes.

Particular external factors affecting property include liquidity, interest rates, diversity of direct property holdings, the quality of properties, proximity to competing properties, current and expected income and other economic conditions that may affect supply and demand.

Property exposure in the Fund may be obtained via holdings in listed property securities or via derivative contracts based on these securities. In addition to the above risks, these vehicles may be subject to refinancing risk associated with any borrowings made in order to acquire properties, may have limited financial resources and may trade less frequently and in limited volume. Listed property securities are valued daily according to their last quoted market price.

Reliance on investment ratings risk. A Fund may invest in fixed income securities assigned a particular rating by a credit rating agency. Credit rating agencies assign various credit ratings to the individual securities that may form part of a fund's portfolio. These ratings vary based on the perceived credit quality of those securities. For example, the term "investment grade" denotes a certain level of credit quality of a security, which has been ascribed by an independent rating agency or agencies, though no guarantee of investment performance can be derived from this term. Grades determined by such agencies may form only one view of the security and should not be relied upon in isolation. Further, ratings are provided by commercial agencies that are paid for their services and therefore potential conflicts may exist in the classification of precise ratings grades. Rating agencies attempt to pursue principles and maintain standards that deliver effectiveness and reliability, however, neither an accurate rating classification determined when a bond is issued, nor accurate review during the life of a bond, can be assured.

Securities lending risk. The Funds can participate in a securities lending program, which involves the lending of fund investments to counterparties over a period of time. In the event that a Fund engages in securities lending it may have a credit risk exposure to the counterparties to any securities lending contract. While the securities lending program of the Fund generally seeks to ensure that all securities lending is fully collateralised, the Fund may lose money where any securities lending is not fully collateralised (i.e. due to timing issues arising from payment lags or due to a fall in the value of the collateral below the value of the loaned securities) and where the borrower of the loaned securities defaults on its obligations, failing to return the securities in a timely manner or at all. The Fund could also lose money in the event of a decline in the value any investments made with cash collateral. These events could also trigger adverse tax consequences for the Fund.

Small cap and emerging growth securities risk. The iShares Emerging Markets IMI Equity Index Fund may be exposed to securities of small cap and emerging growth companies. Smaller capitalisation companies may, from time to time, and especially in falling markets, become less liquid and experience short-term price

volatility. They may also be less financially secure than larger, more established companies and depend on a small number of key personnel, which increases the risk of the company's failure if a product fails, management changes or if there are other adverse developments.

Tracking error risk. The NAV of a Fund may not correlate exactly with the index it is designed to match. Factors such as fund fees and expenses, imperfect correlation between fund security holdings and index constituents, inability to rebalance portfolio holdings in response to changes to index constituents, rounding of prices, index changes and regulatory policies may affect the ability of a fund to achieve close correlation with the index. A fund's returns may therefore deviate from the index it is designed to match. Funds that employ an optimisation strategy may incur tracking error risk to a greater extent than a fund that seeks to fully replicate an index.

14.2 General risks of investing in the Fund

Other risks more generally associated with investing in a fund include:

Counterparty risk. Institutions, such as brokerage firms, banks, and broker-dealers, may enter into transactions with the manager of a fund in relation to the sale and purchase of assets or securities. Such institutions may also be issuers of the securities in which a fund invests. Bankruptcy, fraud, regulatory sanction or a refusal to complete a transaction at one of these institutions could significantly impair the operational capabilities or the capital position of a fund. While the BlackRock Group uses reasonable efforts to mitigate such risks, there can be no guarantee that transactions between such counterparties will always be completed in the manner contemplated by, and favourable to, the relevant fund.

Conflicts of interest risk. Certain conflicts of interest may arise in the operation of a BlackRock Group fund. Fund structures may involve members of the BlackRock Group acting in more than one capacity, while BlackRock Group funds may hold over-the-counter derivative agreements where a member of the BlackRock Group is acting (in different capacities) on both sides of the agreement. BlackRock Group funds may be invested in by persons associated with BlackRock Group or by other funds and accounts managed by different members of the BlackRock Group. Investors in a fund may, in some instances, invest on different terms to each other, some of which may be more favourable than others. Each investor in a fund may act in a way that is adverse to the interests of other investors in that fund. Additionally, funds and accounts managed by different members of the BlackRock Group may act as a seed investor in a BlackRock Group fund, which may create a commercial opportunity for the BlackRock Group. For example, a seed investment may allow the BlackRock Group to establish a track record for a fund that can then be sold to other clients. Certain investment strategies of the BlackRock Group may conflict with each other and may affect the price and availability of securities in which to invest. Members of the BlackRock Group may also give advice or take action with respect to any of their clients, which may differ from the advice given or the timing or nature of any action taken with respect to the investments of other BlackRock Group funds or accounts.

While conflicts of interest may arise from time to time, the BlackRock Group has established policies and procedures in place to manage any such conflict, which includes ensuring transactions between BlackRock Group entities are conducted on an arm's length commercial basis.

Fund risk. The price of units in a fund and the income from them may go down as well as up. Investors may not get back their original investment. There can be no assurance that a fund will achieve its investment objective or that an investor will achieve profits or avoid losses, significant or otherwise. Capital return and income of a fund is based on the capital appreciation and income of the securities invested in, less expenses incurred. Fund returns may fluctuate in response to changes in such capital appreciation or income. The payment of distributions is at the discretion of the fund issuer, taking into account various factors and its own distribution policy. Distributions are not guaranteed and there may be periods for which distributions are higher or lower than expected. Investing in a fund may result in a different tax outcome than investing in securities directly. The application of tax laws and certain events occurring within a fund may result in you receiving some of your investment back as income in the form of a distribution. A fund will generally not be managed with consideration of the individual circumstances, including specific tax considerations, applicable to any single unitholder in the fund. Past performance is not indicative of future performance.

Individual investment risk. Individual securities held by a fund can and do fall in value for many reasons. Both price and levels of income are subject to fluctuation. Returns from individual securities will vary and price movements can be volatile.

Market risk. Economic, technological, political or legislative conditions and even market sentiment can (and do) change and this can affect the value of the investments in a fund. The value of a fund will change with changes in the market value of the securities to which it is exposed.

Operational risk. The risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Adverse impacts may arise internally through human error, technology or infrastructure changes, or through external events such as third party failures or crisis events. The BlackRock Group has procedures in place to manage these risks and, as much as possible, monitor the controls within these procedures to ensure operational risks are adequately managed.

Regulatory and business risk. Changes in corporate, taxation or other relevant laws, regulations or rules may adversely affect your investment. For example, such changes may adversely affect a fund's ability to execute certain investment strategies, which could have a material effect on performance. The laws affecting registered managed investment schemes may also change in the future.

Additional information has been incorporated by reference

Additional information has been incorporated by reference. You should read the additional information about fees and costs before making an investment decision. Go to section 2 of the document titled [BlackRock Institutional Funds Additional Information](#), which is available, free of charge upon request from our Client Service Centre; refer to page 2 of this Disclosure Document for contact information.

15. Fees and other costs

15.1 Differential fees

In accordance with the Corporations Act, we may individually negotiate fees with investors classed as "wholesale clients" or "professional investors". We may also negotiate special arrangements concerning fees (including fee reductions or

waivers) with other investors in certain circumstances determined by us, as permitted by law. Please contact us for further details.

15.2 Management fees

The management fee paid by each investor in a Fund or unit class is generally documented in a fee agreement letter signed by both BlackRock and that particular investor (**Fee Agreement**).

Management fees charged outside the Fund

The below detailed Funds or unit classes charge a management fee outside of the Fund or unit class. In the absence of a signed Fee Agreement, we reserve the right to charge the default management fee of each Fund or unit class, plus GST, if applicable. Management fees charged outside the Fund or unit class will generally be invoiced to investors quarterly in arrears.

Fund name	Default management fee (%) per annum
iShares Wholesale Screened International Equity Index Fund (Class E Units)	0.18
iShares Wholesale Australian Bond Index Fund ¹	0.15
iShares ESG Australian Bond Index Fund (Class E Units)	0.15
iShares Wholesale Australian Equity Index Fund ¹	0.15
iShares Wholesale Australian Listed Property Index Fund ¹	0.15
iShares Global Listed Property Index Fund (Hedged Class E Units)	0.15
iShares Wholesale International Equity Index Fund ¹	0.15
iShares Hedged International Equity Index Fund (Class E Units)	0.15
iShares ESG Global Bond Index Fund (Class E Units)	0.15

1. Fund also charges an additional fee within the Fund. Please see "Management fees charged inside the Fund" below for further information.

Management fees charged inside the Fund

The below detailed Funds or unit classes charge a management fee inside of the Fund or unit class. Management fees charged inside a Fund or unit class are inclusive of GST less Reduced Input Tax Credits. Management fees charged inside a Fund or unit class are charged within the unit price of each Fund or unit class, accrue daily and are generally paid to BlackRock monthly in arrears.

Fund name	Management fee (%) per annum
iShares Wholesale Screened International Equity Index Fund (Class E2 Units)	0.18
iShares Wholesale Australian Equity Index Fund ²	0.041
iShares Wholesale International Equity Index Fund ²	0.041
iShares Emerging Markets IMI Equity Index Fund	0.55
iShares Wholesale Australian Listed Property Index Fund ²	0.041
iShares Wholesale Australian Bond Index Fund ²	0.041
iShares Australian Government Inflation-Linked Bond Index Fund (Class E Units)	0.10

- Management fee covers audit, custody and some responsible entity charges and is pursuant to the general management fee authorisation under each Fund's constitution.

15.3 Can fees change?

All fees and charges can change. They may vary over time as a result of changes to the product, changing economic conditions and changes in regulations.

We will provide investors reasonable notice of any proposed increase to our fees except for changes in each Fund's buy-sell spread (see the BlackRock Institutional Funds Additional Information document for further information).

The current fees applicable to an investment in each Fund are set out in this Disclosure Document and although we have the power to change our fee structure without your consent, we have no present intention to do so. We may, under special circumstances, elect to vary the frequency of our fee collection.

16. How the Funds work

16.1 How to invest

You will normally be able to invest in a Fund on any **Business Day**, as defined in the below table. For a list of public holidays affecting

Fund name	Transaction Cut-off Time and Trade Dates
iShares Wholesale Australian Bond Index Fund iShares ESG Australian Bond Index Fund (Class E Units) iShares Wholesale Australian Equity Index Fund iShares Wholesale Australian Listed Property Index Fund	Requests are required to be received prior to 1.00 pm (Sydney time) on any Business Day (Transaction Cut-off Time). Requests received before this time on a Business Day will generally be executed on the same Business Day (Trade Date).
iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) iShares Wholesale International Equity Index Fund iShares Hedged International Equity Index Fund (Class E Units) iShares ESG Global Bond Index Fund (Class E Units) iShares Global Listed Property Index Fund (Hedged Class E Units)	Requests are required to be received prior to 3.00 pm (Sydney time) on any Business Day (Transaction Cut-off Time). Requests received before this time on a Business Day will generally be executed on the next Business Day (Trade Date).
iShares Emerging Markets IMI Equity Index Fund	Requests are required to be received prior to 3.00 pm (Sydney time) on any Business Day (Transaction Cut-off Time). Requests received before this time on a Business Day will generally be executed on the second Business Day following receipt of the application request (Trade Date).

the Funds, please visit our website at www.blackrock.com/au.

Fund name	Business Day
iShares Wholesale Australian Equity Index Fund iShares Wholesale Australian Listed Property Index Fund	Being a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney.
iShares Emerging Markets IMI Equity Index Fund iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) iShares Wholesale International Equity Index Fund iShares Hedged International Equity Index Fund (Class E Units) iShares Global Listed Property Index Fund (Hedged Class E Units)	Being a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney (Australia) and New York (USA).
iShares Wholesale Australian Bond Index Fund iShares ESG Australian Bond Index Fund (Class E Units)	Being a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney.
iShares ESG Global Bond Index Fund (Class E Units)	Being a day other than a Saturday or Sunday on which banks are open for general banking business in Sydney (Australia), New York (USA) and London (UK)

To make your initial investment in a Fund, complete and send to us (including by facsimile) the Fund's Application Form that accompanies this Disclosure Document or is available by calling our Client Services Centre, refer to page 2 of this Disclosure Document for contact information. We have absolute discretion to accept, reject, or limit any application.

If you choose to send us your completed Fund Application Form by facsimile, you will need to send us your original Fund Application Form for our records.

Investor transaction requests are required to be received prior to a Fund's Transaction Cut-off Time. Transaction requests received before this time will generally be executed on the relevant Trade Date. Investor transaction requests received after this time or on a day when a Fund is unavailable for transactions will generally be treated as having been received the following Business Day. The table on the right provides details of each Fund's Transaction Cut-off Time and relevant Trade Date.

Your investment amount must be deposited into the application bank account (as shown on the Fund's Application Form).

In order for us to be able to process your investment, you must ensure that BlackRock receives cleared money by the relevant Trade Date and provide us with verification from your financial institution that the money has been banked. You may also need to complete an Investor Identification Form (which follows the Fund Application Form) for the purpose of Anti-Money Laundering and Counter-Terrorism Financing legislation.

16.2 Minimum investment amounts

When investing in a Fund you generally need a minimum initial amount of \$500,000 or such other amount as we may determine from time to time. There is no minimum investment for subsequent applications. We generally require a minimum balance in your Fund account of \$500,000.

16.3 Do you have "cooling off" rights?

Investors in the Funds are required to be "wholesale clients" or "professional investors" as defined by the Corporations Act and are therefore not entitled to cooling off rights.

16.4 How you receive income from your investment

If you hold units in a Fund at the close of business on the last day of a distribution period, you are entitled to participate in the distributable income of that Fund. Any income you receive from your investments will be in the form of distributions. Your distribution may include interest, dividends, other income and realised gains. Distributions are not guaranteed and there may be periods for which distributions are higher or lower than expected.

Distributions of the iShares Wholesale Australian Bond Index Fund, iShares ESG Australian Bond Index Fund (Class E Units), iShares ESG Global Bond Index Fund (Class E Units), iShares Wholesale Australian Equity Index Fund, iShares Wholesale Australian Listed Property Index Fund and iShares Global Listed Property Index Fund (Hedged Class E Units) are generally determined at the end of March, June, September and December each year.

Distributions of the iShares Emerging Markets IMI Equity Index Fund, iShares Hedged International Equity Index Fund (Class E Units), iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) and iShares Wholesale International Equity Index Fund are generally determined at the end of June each year.

Distributions are usually paid within 21 Business Days of the end of the distribution period.

Additional information has been incorporated by reference

Additional information has been incorporated by reference. You should read the additional information about how the Funds work before making an investment decision. Go to section 1 of the document titled **BlackRock Institutional Funds Additional Information**, which is available, free of charge upon request from our Client Service Centre; refer to page 2 of this Disclosure Document for contact information.

16.5 Redeeming your investment

Redemption requests can be made in writing (including by facsimile). You will normally be able to redeem from a Fund, while the Fund is liquid, on any Business Day. A list of public holidays affecting the Fund is available on our website at www.blackrock.com/au.

While there is no minimum redemption amount, we generally require a minimum balance in your Fund account of \$500,000.

Investor transaction requests are required to be received prior to a Fund's Transaction Cut-off Time. Transaction requests received before this time will generally be executed on the relevant Trade Date. Investor transaction requests received after this time or on a day when a Fund is unavailable for transactions will generally be treated as having been received the following Business Day.

Following receipt of a redemption request, we will deposit redemption proceeds into your nominated Australian bank

account, generally within the following timeframes of our having received the redemption request, although we are allowed longer periods under each Fund's Constitution.

Fund Name	Redemption payment timeframes
iShares Wholesale Australian Bond Index Fund iShares ESG Australian Bond Index Fund (Class E Units) iShares Wholesale Australian Equity Index Fund iShares Wholesale Australian Listed Property Index Fund	Within three Business Days
iShares Wholesale Screened International Equity Index Fund (Class E & E2 Units) iShares Wholesale International Equity Index Fund iShares Hedged International Equity Index Fund (Class E Units) iShares Global Listed Property Index Fund (Hedged Class E Units)	Within four Business Days
iShares Emerging Markets IMI Equity Index Fund iShares ESG Global Bond Index Fund (Class E Units)	Within six Business Days

In some circumstances, such as when there is a freeze on withdrawals, investors may not be able to withdraw from a Fund within the usual period upon request.

Notwithstanding the above, a BlackRock Group entity and its directors and employees may redeem investments from the Fund at any time, in any amount and without penalty if the Responsible Entity determines that such redemption is necessary for compliance with applicable law.

[Refer to section 14.1 of this Disclosure Document titled "How to invest" for details of the Fund's Business Day, Transaction Cut-off Time and Trade Date.](#)

17. How managed investment schemes are taxed

Investing in a registered managed investment scheme is likely to have tax consequences and you are strongly advised to seek professional tax advice.

Registered managed investment schemes do not pay tax on behalf of investors. However, BlackRock may be required to withhold tax from each distribution at the relevant withholding tax rates under certain circumstances. You are assessed for tax on any income and capital gains generated by the registered investment scheme to which you are entitled.

Additional information has been incorporated by reference

Additional information has been incorporated by reference. You should read the additional information about taxation before making an investment decision. Go to section 3 of the document titled **BlackRock Institutional Funds Additional Information**, which is available, free of charge upon request from our Client Service Centre; refer to page 2 of this Disclosure Document for contact information.

18. Additional information

18.1 Enquiries and complaints

If you have an enquiry or complaint, you can contact our Enquiries and Complaints Officer via our Client Services Centre. We have established procedures for dealing with enquiries and complaints. If you make a complaint to us, the complaint will be acknowledged and steps will be taken to investigate your concerns. A final response will be provided within 45 days in accordance with our obligations.

BlackRock is a member of the Australian Financial Complaints Authority (**AFCA**), an independent complaint resolution body. If your complaint is not addressed within 45 days from the date it was received, or you are not satisfied with our response, you may refer your complaint to AFCA. AFCA provides fair and independent financial services complaint resolution that is free to consumers. AFCA can be contacted by:

- ▶ Telephone: 1800 931 678 (free call)
- ▶ Mail: Australian Financial Complaints Authority, GPO Box 3, Melbourne VIC 3001
- ▶ Email: info@afca.org.au
- ▶ Website: www.afca.org.au.

For the hearing and speech impaired, FOS can be contacted by:

- ▶ National Relay Service: www.relayservice.com.au;
- ▶ TTY/Voice Calls: 133 677 (local); or
- ▶ Speak & Listen: 1300 555 727 (local).

18.2 Index provider disclaimers

An iShares Index Funds are not sponsored, endorsed, issued, sold or promoted by the provider of the index that the particular Fund seeks to track. No index provider makes any representation regarding the advisability of investing in a Fund. The iShares Index Funds are not actively managed. You cannot invest directly in an index.

iShares Wholesale Australian Bond Index Fund

iShares ESG Australian Bond Index Fund

iShares ESG Global Bond Index Fund

BLOOMBERG, the Bloomberg AusBond Composite 0+ Yr Index, Bloomberg Barclays MSCI Australia 100mn ESG Index and the Bloomberg Barclays MSCI Global Aggregate SRI Select ex-Fossil Fuels Index (AUD hedged) (**Bloomberg Indexes**) are trademarks or service marks of Bloomberg Finance L.P. and its affiliates (collectively **Bloomberg**). Bloomberg or Bloomberg's licensors own all proprietary right in the Bloomberg Indexes. Bloomberg does not guarantee the timeliness, accuracy or completeness of any data or information relating to the Bloomberg Indexes. Bloomberg makes no warranty, express or implied, as to the Bloomberg Indexes or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. It is not possible to invest directly in an index. Back-tested performance is not actual performance. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers and vendors shall have no liability or responsibility whatsoever for any injury or damages - whether direct, indirect, consequential, incidental, punitive or otherwise - arising in connection with the Bloomberg Indexes or any data or values relating thereto - whether arising from their negligence or otherwise. Nothing in the Bloomberg Indexes shall constitute or be construed as an offering of financial instruments or as investment advice or investment recommendations (i.e., recommendations as to whether or not to "buy", "sell", "hold", or to enter or not to enter into any other transaction involving any specific interest or interests) by Bloomberg or its affiliates or a recommendation as to an investment or other strategy by Bloomberg or its affiliates. Data and other information available via the Bloomberg Indexes should not be considered as information sufficient upon which to base an investment decision. All information provided by the Bloomberg Indexes is impersonal and not tailored to the needs of any person, entity or group of persons. Bloomberg and its affiliates do not express an opinion on the future or expected value of any security or other interest and do not explicitly or implicitly recommend or suggest an investment strategy of any kind.

iShares Emerging Markets IMI Equity Index Fund
iShares Wholesale Screened International Equity Index Fund
iShares Wholesale International Equity Index Fund
iShares Hedged International Equity Index Fund

The MSCI Emerging Markets IMI ex Tobacco ex Controversial ex Nuclear Weapons Index, MSCI World ex-Tobacco ex Controversial Weapons ex Nuclear Weapons Index (Net), the MSCI World ex-Australia Index and MSCI World ex-Australia Net TR Index (hedged in AUD) (**MSCI Indexes**) are the exclusive property of MSCI, Inc. (**MSCI**). The MSCI Indexes are service marks of MSCI and have been licensed for use by BlackRock and its affiliates. No Fund is sponsored, endorsed, sold or promoted by MSCI. MSCI makes no representation or warranty, express or implied, to the owners of units of a Fund or any member of the public regarding the advisability of investing in securities generally or in a Fund particularly or the ability of an MSCI Index to track general stock market performance. MSCI is the licensor of certain trademarks, service marks and trade names of MSCI and of the MSCI Indexes. MSCI has no obligation to take the needs of any Fund or the owners of units of a Fund into consideration in determining, composing or calculating an MSCI Index. MSCI is not responsible for and has not participated in the determination of the timing of, prices at, or quantities of units of any Fund to be issued or in the determination or calculation of the equation by which the units of a Fund are redeemable for cash. MSCI has no obligation or liability to owners of units of a Fund in connection with the administration, marketing or trading of the Fund.

Although MSCI shall obtain information for inclusion in or for use in the calculation of an MSCI Index from sources which MSCI considers reliable, MSCI does not guarantee the accuracy and/or the completeness of the MSCI Index or any data included therein. MSCI makes no warranty, express or implied, as to results to be obtained by licensee, licensee's customers and counterparties, owners of units of a Fund, or any other person or entity from the use of an MSCI Index or any data included therein in connection with the rights licensed hereunder or for any other use. MSCI makes no express or implied warranties, and hereby expressly disclaims all warranties of merchantability or fitness for a particular purpose with respect to an MSCI Index or any data included therein. Without limiting any of the foregoing, in no event shall MSCI have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

iShares Wholesale Australian Equity Index Fund
iShares Wholesale Australian Listed Property Index Fund

The iShares Australian Equity Index Fund and iShares Australian Listed Property Index Fund are not sponsored, endorsed, sold or promoted by Standard & Poor's and its affiliates (**S&P**) or by ASX Operations Pty Limited and its affiliates (**ASX**). S&P and ASX make no representation, condition or warranty, express or implied, to the owners of the Funds or any member of the public regarding the advisability of investing in securities generally or in the Funds particularly or the ability of the S&P/ASX 300 TR Index and S&P/ASX 300 A-REIT Index (**S&P/ASX Indexes**) to track the performance of certain financial markets and/or sections thereof and/or of groups of assets or asset classes. S&P's and ASX's only relationship to BlackRock Institutional Trust Company, N.A is the licensing of certain trademarks and trade names and of the S&P/ASX Indexes which is determined, composed and calculated by S&P without regard to BlackRock Institutional Trust Company, N.A, BlackRock Investment Management (Australia) Limited or the Funds. S&P and ASX have no obligation to take the needs of BlackRock Institutional

Trust Company, N.A, BlackRock Investment Management (Australia) Limited or the owners of the Funds into consideration in determining, composing or calculating the S&P/ASX Indexes. S&P and ASX are not responsible for and have not participated in the determination of the prices and amount of the Funds or the timing of the issuance or sale of the Funds or in the determination or calculation of the equation by which the Funds' units are to be converted into cash. S&P and ASX have no obligation or liability in connection with the administration, marketing, or trading of the Funds.

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