

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (continued)

Systematic Sustainable Global Small Cap Fund

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

**Product name:**  
Systematic Sustainable Global Small Cap Fund

**Legal entity identifier:**  
549300HBMGWEEZN5BI34

## Environmental and/or social characteristics

**Did this financial product have a sustainable investment objective?**

**Yes**                         **No**

|   |   |
|---|---|
| <p><input type="checkbox"/> It made <b>sustainable investments with an environmental objective</b>: ___%</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input type="checkbox"/> It made <b>sustainable investments with a social objective</b>: ___%</p> | <p><input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 24.21% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b></p> |
|---|---|

**To what extent were the environmental and/or social characteristics promoted by this financial product met?**

The following table lists the environmental and social characteristics which were promoted by the Fund throughout the reference period. Further information on these environmental and social characteristics is outlined in the Fund's prospectus. Please refer to the section below, "How did the sustainability indicators perform?", which provides information about the extent that the Fund met such environmental and social characteristics.

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Systematic Sustainable Global Small Cap Fund (continued)

**Environmental and social characteristics promoted by the Fund**

Investment in Sustainable Investments

Maintain that the weighted average ESG rating of the Fund will be higher than the MSCI ACWI Small Cap Index (the "Index") after eliminating at least 20% of the least well-rated securities from the Index  
Reduction of carbon emissions intensity (emissions per \$1 million of sales revenue across the Fund's holdings) relative to the MSCI ACWI Small Cap Index

Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons)

Exclusion of issuers deriving any revenue from direct involvement in the production of nuclear weapons or nuclear weapon components or delivery platforms, or the provision of auxiliary services related to nuclear weapons

Exclusion of issuers deriving more than 5% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of "green bonds", that are considered to comply with the International Capital Markets Association's Green Bond Principles

Exclusion of issuers deriving more than 5% of their revenue from the production and generation of tar sands (also known as oil sands)

Exclusion of issuers which produce tobacco products

Exclusion of issuers which derive more than 5% of their revenue from the production, distribution, retail and supply of tobacco-related products

Exclusion of issuers which produce firearms and/or small arms ammunition intended for retail to civilians

Exclusion of issuers which derive more than 5% of their revenue from the distribution (wholesale or retail) of firearms and/or small arms ammunition intended for civilian use

Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption)

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Systematic Sustainable Global Small Cap Fund (continued)

● **How did the sustainability indicators perform?**

The following table provides information about the performance of the sustainability indicators used to measure the attainment of each of the environmental and social characteristics promoted by the Fund, as further detailed in the Fund's prospectus.

| Sustainability Indicator   | Metric   | Performance for the reference period  |
|--|--|---|
| Investment in Sustainable Investments  | % of Sustainable Investments held by the Fund    | 24.21%  |
| Maintain that the weighted average ESG rating of the Fund will be higher than the MSCI ACWI Small Cap Index after eliminating at least 20% of the least well-rated securities from the Index | ESG Rating of the Fund                           | Fund ESG Rating: A<br><br>(Fund ESG Rating higher than Index Rating throughout the reference period after eliminating at least 20% of the lowest rated securities from the Index) |
| Reduction of carbon emissions intensity (emissions per \$1 million of sales revenue across the Fund's holdings) relative to the MSCI ACWI Small Cap Index                                    | Carbon emissions intensity relative to the Index | -40.59%   |
| Exclusion of issuers based on exclusionary criteria as defined in table above "Environmental and social characteristics promoted by the Fund"  | # of active breaches                             | No active breaches  |

● **...and compared to previous periods?**

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.

● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

During the reference period, the Fund invested 24.21% of its holdings in Sustainable Investments in pursuit of its investment objective.

**Environmental and social objectives**

The Fund invested in Sustainable Investments which contributed to a range of environmental and/or social objectives which may include but are not limited to, alternative and renewable energy, energy efficiency, pollution prevention or mitigation, reuse and recycling, health, nutrition, sanitation and education and the UN Sustainable Development Goals and other sustainability-related frameworks ("Environmental and Social Objectives").

**Economic activity assessment**

An investment was assessed as contributing to an environmental and/or social objective where:

- (i) a minimum proportion of the issuer's business activity contributed to an environmental and/or social objective; or
- (ii) the issuer's business practices contributed to an environmental and/or social objective.

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### Systematic Sustainable Global Small Cap Fund (continued)

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

The Sustainable Investments held by the Fund during the reference period met the do no significant harm (“DNSH”) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria across all Sustainable Investments to assess whether an issuer or investment does significant harm. Investments considered to be causing significant harm do not qualify as Sustainable Investments.

- **How were the indicators for adverse impacts on sustainability factors taken into account?**

The indicators for principal adverse impacts (“PAI”)s on sustainability factors for each type of investment were assessed using BlackRock’s Sustainable Investments proprietary methodology. All relevant mandatory PAI indicators included in Annex 1 of the Commission Delegated Regulation (EU) 22 / 1288 were considered. BlackRock makes use of fundamental analysis and/or third-party data sources to identify investments which negatively impact sustainability factors and cause significant harm. Please refer to the section below, “How did this financial product consider principal adverse impacts on sustainability factors?”, which describes how the Fund considered PAIs on sustainability factors.

- **Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:**

Sustainable Investments held during the reference period were assessed to consider any detrimental impacts and ensure compliance with international standards of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights. Issuers or companies deemed to have violated these conventions are not considered as Sustainable Investments.

*The EU Taxonomy sets out a “do not significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.*

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (continued)

Systematic Sustainable Global Small Cap Fund (continued)



How did this financial product consider principal adverse impacts on sustainability factors?

The following table provides information about the impact of the principal adverse sustainability indicators taken into consideration by this Fund. The Fund considered the impact of the principal adverse sustainability indicators through the application of these minimum ESG and exclusionary criteria. The Investment Adviser has determined that those PAIs marked in the table below as “F” are fully considered or “P” are partially considered, as part of the investment selection criteria. A PAI is partially considered where a BlackRock internal assessment has determined the sustainability indicator partially meets the regulatory definition of the PAI outlined in Annex 1 supplementing Regulation (EU) 2019/2088 Regulatory Technical Standards (“RTS”). A PAI is fully considered where a BlackRock internal assessment has determined the sustainability indicator captures the full regulatory definition as outlined in Annex 1 supplementing Regulation (EU) 2019/2088 RTS.

| Adverse Sustainability Indicator   | Sustainability indicator   |   |  |   |   |
|--|--|---|--|---|---|
|  | Exclusion of issuers which are engaged in, or are otherwise exposed to, the production of controversial weapons (including, but not limited to, cluster munitions, biological-chemical, landmines, depleted uranium, blinding laser, non-detectable fragments and/or incendiary weapons) | Exclusion of issuers deriving more than 5% of their revenue from the production and generation of tar sands (also known as oil sands) | Exclusion of issuers deriving more than 5% of their revenue from thermal coal extraction and/or thermal coal-based power generation, with the exception of “green bonds”, that are considered to comply with the International Capital Markets Association’s Green Bond Principles | Exclusion of issuers which have been deemed to have failed to comply with UN Global Compact Principles (which cover human rights, labour standards, the environment and anticorruption) | Reduction of carbon emissions intensity (emissions per \$1 million of sales revenue across the Fund’s holdings) relative to the benchmark |
| Greenhouse gas (GHG) Emissions   |  |   |  |   | P   |
| GHG Intensity of Investee Companies  |  |   |  |   | P   |
| Exposure to companies active in the fossil fuel sector   |  | P   | P  |   |   |
| Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises |  |   |  | P   |   |
| Exposure to controversial weapons (anti- personnel mines, cluster munitions, chemical weapons and biological weapons)                                | F  |   |  |   |   |

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Systematic Sustainable Global Small Cap Fund (continued)



### What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: From 14 December 2022 to 31 August 2023.

| Largest investments          | Sector                 | % Assets | Country                    |
|------------------------------|------------------------|----------|----------------------------|
| Tokyo Tatemono Ltd           | Real Estate            | 0.93%    | Japan                      |
| Gibson Energy Inc            | Energy                 | 0.93%    | Canada                     |
| Teradata Corp                | Information Technology | 0.85%    | United States              |
| Oshkosh Corp                 | Industrials            | 0.73%    | United States              |
| Comfort Systems Usa Inc      | Industrials            | 0.71%    | United States              |
| Boyd Gaming Corp             | Consumer Discretionary | 0.69%    | United States              |
| Siteone Landscape Supply Inc | Industrials            | 0.61%    | United States              |
| Insperty Inc                 | Industrials            | 0.57%    | United States              |
| Bawag Group Ag               | Financials             | 0.57%    | Austria                    |
| King Yuan Electronics Ltd    | Information Technology | 0.57%    | Taiwan (Republic of China) |
| Manhattan Associates Inc     | Information Technology | 0.55%    | United States              |
| Apogee Enterprises Inc       | Industrials            | 0.54%    | United States              |
| J.Front Retailing Ltd        | Consumer Discretionary | 0.53%    | Japan                      |
| Enovis Corp                  | Health Care            | 0.53%    | United States              |
| Huntsman Corp                | Materials              | 0.52%    | United States              |

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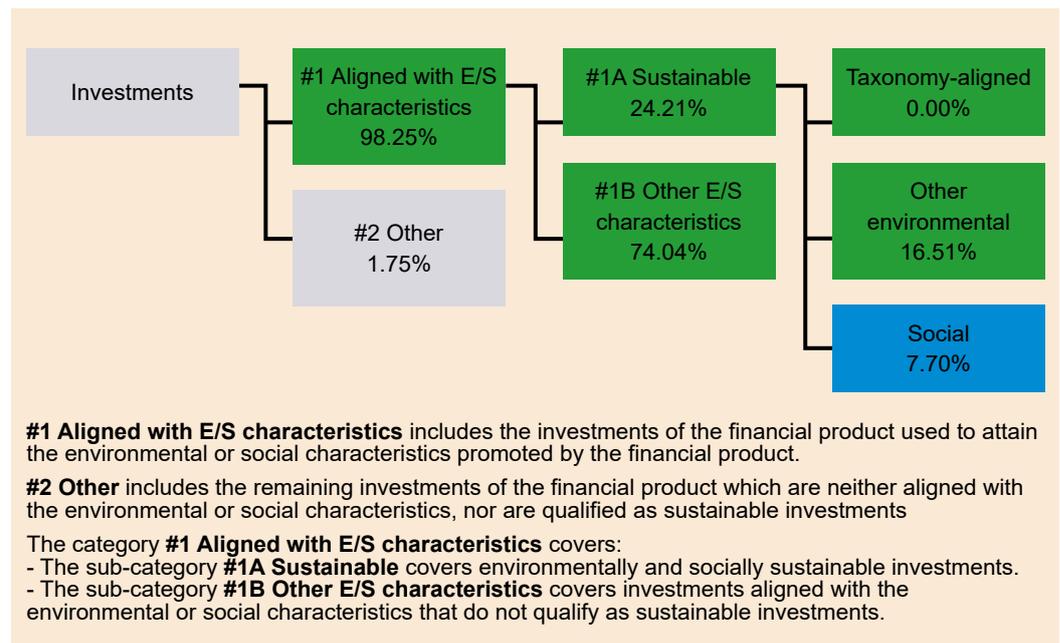
Systematic Sustainable Global Small Cap Fund (continued)



**Asset allocation** describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

● What was the asset allocation?



## Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (continued)

Systematic Sustainable Global Small Cap Fund (continued)

### ● In which economic sectors were the investments made?

The following table details the economic sectors that the Fund was exposed to during the reference period.

| Sector                 | Sub-Sector                                   | % of Investments |
|------------------------|--|------------------|
| Industrials            | Capital Goods                                | 13.48%           |
| Materials              | Materials                                    | 7.30%            |
| Information Technology | Software & Services                          | 6.11%            |
| Health Care            | Pharma, Biotech & Life Sciences              | 6.09%            |
| Health Care            | Health Care Equipment & Services             | 5.91%            |
| Financials             | Financial Services                           | 4.84%            |
| Financials             | Banks  | 4.67%            |
| Real Estate            | Equity Real Estate Investment Trusts (REITs) | 4.46%            |
| Consumer Discretionary | Consumer Discretionary Distribution & Retail | 4.25%            |
| Consumer Discretionary | Consumer Durables                            | 3.91%            |
| Information Technology | Tech Hardware & Equipment                    | 3.86%            |
| Real Estate            | Real Estate Management & Development         | 3.35%            |
| Consumer Discretionary | Consumer Services                            | 3.34%            |
| Industrials            | Commercial & Professional Services           | 3.19%            |
| Information Technology | Semiconductors & Semiconductor Equipment     | 3.11%            |
| Utilities              | Utilities                                    | 2.92%            |
| Communication          | Media & Entertainment                        | 2.39%            |
| Industrials            | Transportation                               | 2.33%            |
| Energy                 | Oil & Gas Storage & Transportation           | 1.96%            |
| Consumer Discretionary | Autos & Components                           | 1.81%            |
| Consumer Staples       | Food Beverage Tobacco                        | 1.57%            |
| Energy                 | Oil & Gas Exploration & Production           | 1.52%            |
| Communication          | Telecom                                      | 1.37%            |
| Financials             | Insurance                                    | 1.36%            |
| Consumer Staples       | Consumer Staples Distribution & Retail       | 1.34%            |
| Energy                 | Oil & Gas Equipment Services                 | 0.91%            |
| Energy                 | Oil & Gas Refining & Marketing               | 0.11%            |
| Energy                 | Oil & Gas Drilling                           | 0.10%            |

During the reference period, none of the Fund's investments were held in the following sub-sectors (as defined by the Global Industry Classification System): integrated oil and gas, coal and consumable fuels.

Appendix IV – Supplementary Information (Unaudited) continued

Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (continued)

Systematic Sustainable Global Small Cap Fund (continued)

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.



**To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?**

For the reference period, the Fund's investment alignment with EU Taxonomy is shown in the graphs below.

**Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy<sup>1</sup>?**

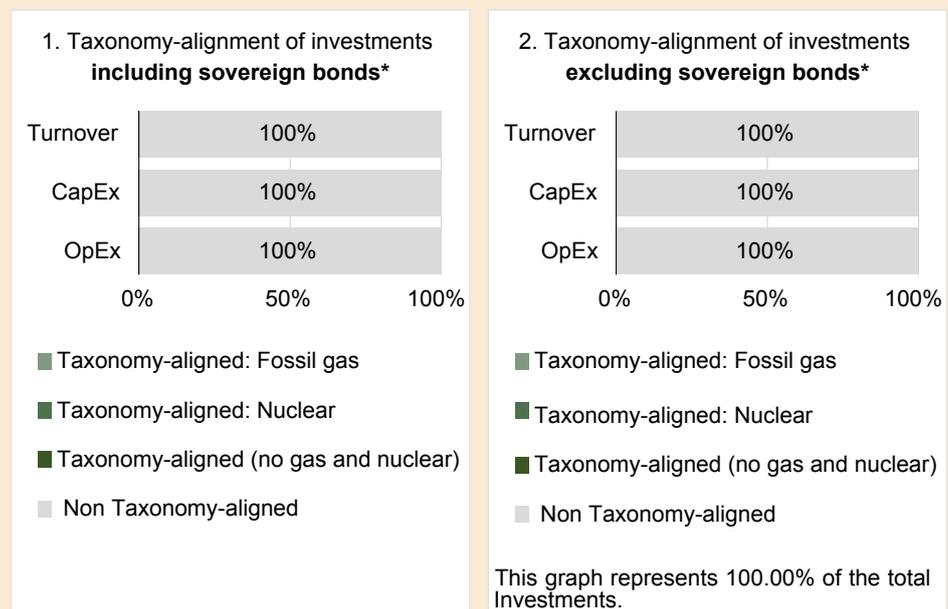
Yes:

In fossil gas       In nuclear energy

No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective -see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy alignment of sovereign bonds\*, the first graph shows the taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.

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Periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 (continued)

### Systematic Sustainable Global Small Cap Fund (continued)

#### ● What was the share of investments made in transitional and enabling activities?

For the reference period, 0% of the Fund's investments were made in transitional and enabling activities.

#### ● How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

As this is the first reference period that the periodic disclosure for financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852 are effective, no comparatives are presented.



Sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



#### ● What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

For the reference period, 16.51% of the Fund's investments were classified as Sustainable Investments with an environmental objective not aligned with EU Taxonomy.

The Fund invested in Sustainable Investments that were not aligned with the EU Taxonomy for the following reasons: (i) it is part of the investment strategy of the Fund; (ii) data to determine EU Taxonomy-alignment was unavailable; and/or (iii) underlying economic activities were not eligible under the EU Taxonomy's available technical screening criteria or did not comply with all requirements set out in such technical screening criteria.



#### ● What was the share of socially sustainable investments?

For the reference period, 7.70% of the Fund's investments were classified as socially sustainable investments.



#### ● What investments were included under "Other", what was their purpose and were there any minimum environmental or social safeguards?

Investments included under "#2 Other" included derivatives, cash and near cash instruments, however such holdings did not exceed 20%. Such investments were used only for investment purposes in pursuit of the Fund's (non-ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other investments held by the Fund were assessed against minimum environmental or social safeguards.



#### ● What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The Investment Adviser has implemented internal quality controls such as compliance rule coding to ensure compliance with the environmental and social characteristics promoted by the Fund. The Investment Adviser regularly reviews the environmental and social characteristics promoted by the Fund to ensure they are still appropriate relative to the Fund's investment universe.

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.

The Investment Adviser is also subject to the shareholder engagement requirements of the Shareholders Rights Directive II (SRD) requirements. The SRD aims to strengthen the position of shareholders, enhance transparency and reduce excessive risk within companies traded on regulated EU marketplaces. Further details regarding the Investment Adviser's activities under the SRD are available on BlackRock's website at:

<https://www.blackrock.com/uk/professionals/solutions/shareholder-rights-directive>.

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Systematic Sustainable Global Small Cap Fund (continued)



**Reference benchmarks** are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

**How did this financial product perform compared to the reference benchmark?**

For the reference period, an index has not been designated as a reference benchmark for the purpose of attaining the environmental or social characteristics promoted by the Fund, therefore this section is not applicable.

● **How does the reference benchmark differ from a broad market index?**

Not applicable.

● **How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?**

Not applicable.

● **How did this financial product perform compared with the reference benchmark?**

Not applicable.

● **How did this financial product perform compared with the broad market index?**

Not applicable.