

**Pre-contractual 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**

**Product name: BlackRock Sustainable Euro Short Duration Bond Fund
Legal entity identifier: 549300UYLRDUZDE2XW97**

Environmental and/or social characteristics

***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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.*



Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No
<input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ____%	<input checked="" type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of 20% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input checked="" type="checkbox"/> with a social objective
<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

What environmental and/or social characteristics are promoted by this financial product?

The Fund invests in Sustainable Investments. BlackRock defines Sustainable Investments as investments in issuers or securities that contribute to an environmental or social objective, do not significantly harm any of those objectives and where investee companies follow good governance practices. BlackRock refers to relevant sustainability frameworks to identify the alignment of the investment to environmental or social objectives.

Sustainable Investments should also meet the do no significant harm (DNSH) requirements, as defined by applicable law and regulation. BlackRock has developed a set of criteria to assess whether an issuer or investment does significant harm.

The Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Fund seeks to address key environmental and social issues that are deemed to be relevant to the issuers' businesses using ESG scores as a means of assessing issuers' exposure to and management of those risks and opportunities. The ESG scores recognise that certain environmental and social issues are more material based on the type of activity that the issuer is involved in by weighting the issues differently in the scoring methodology. The following environmental themes are captured in the environmental component of the

ESG score: climate change, natural capital, pollution and waste and environmental opportunities. The following social themes are captured in the social component of the ESG score: human capital, product liability, stakeholder opposition and social opportunities. Corporate issuers that have better ESG scores are perceived to have more sustainable business practices.

The Fund will also apply additional ESG criteria consisting of for corporate issues a score of one or above as defined by MSCI's ESG Controversies score, or their equivalents as determined by the Investment Adviser from time to time. The Investment Adviser may use other data providers and criteria to assess the ESG credentials and suitability of securitised assets such as ABS and MBS.

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Euro-Aggregate Index (1-3 Years) (80%) and Bloomberg Global Aggregate Index (1-3 Years) (20%) (the "ESG Reporting Index") is used to compare certain ESG characteristics promoted by the Fund.

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

● ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

The sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

1. The Fund's holdings in Sustainable Investments, as described above.
2. The Fund's holdings in use-of-proceeds bonds, including "green bonds", "sustainable bonds" and "social bonds" (each as defined by BlackRock's corresponding proprietary methodology which is guided by the International Capital Markets Association Green Bond, Sustainable Bond and Social Bond Principles, respectively). The Fund's holdings of green, sustainable and social bonds may cause the Fund to gain exposure to issuers which, in turn, have exposures that are inconsistent with the exclusions described above.
3. The Fund's holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
4. The Fund's ESG rating, which is the weighted average of ESG scores of the Fund's holdings, as described above.
5. The Fund's consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
6. The Fund's exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens and exclusionary screens, as described above.

● ***What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?***

The Fund invests at least 20% of its holdings in Sustainable Investments in pursuit of its investment objective. All Sustainable Investments will be assessed by the Investment Adviser to comply with BlackRock's DNSH standard outlined above.

BlackRock invests in Sustainable Investments which contribute 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 (“Environmental and Social Objectives”).

An investment will be assessed as contributing to an Environmental and/or Social Objective where:

- a) minimum proportion of the issuer’s business activity contributes to an Environmental and/or Social Objective; or
- b) the issuer’s business practices contribute to an Environmental and/or Social Objective; or
- c) the use of proceeds is assessed as contributing to an Environmental and/or Social Objective such as green bonds, social bonds, and sustainability bonds; or
- d) the fixed income securities are aligned with an Environmental and/or Social Objective.



● ***How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?***

Sustainable Investments meet the 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. Further information on the above can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf>

— — *How have the indicators for adverse impacts on sustainability factors been taken into account?*

The indicators for adverse impacts on sustainability factors for each type of investment are assessed using BlackRock’s Sustainable Investments proprietary methodology. BlackRock uses third-party data and/or fundamental analysis to identify investments which negatively impact sustainability factors and cause significant harm.

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

Sustainable Investments are 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 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.



Does this financial product consider principal adverse impacts on sustainability factors?

- Yes
 No

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens, its exclusionary policy and its holdings in green bonds.

The Fund takes into account the following PAIs:

- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological weapons)

In addition, this Fund takes into account the PAIs through BlackRock's DNSH standard for Sustainable Investments. This Fund will provide information on the PAIs in its annual report.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

What investment strategy does this financial product follow?

The Fund seeks to maximise total return in a manner consistent with the principles of environmental, social and governance "ESG" focused investing.

The Fund seeks to reduce its carbon emissions profile by allocating to green bonds, lower carbon emitting issuers and issuers committed to decarbonisation. The Fund seeks to invest in Sustainable Investments including but not limited to "green bonds" (as defined by its proprietary methodology which is guided by the International Capital Markets Association Green Bond "Principles") and 90% of the Fund's total assets will be invested in accordance with the ESG Policy described below. In order to achieve the investment objective and policy, the Fund will invest in a variety of investment strategies and instruments. The Fund intends to take full advantage of the ability to invest in derivatives (including total return swaps that have fixed income transferable securities and fixed income related securities as underlying assets) with the aim of maximising returns. Any ESG criteria referenced below will apply only to the underlying securities of derivatives used by the Fund.

The Fund will apply the BlackRock EMEA Baseline Screens.

The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (i.e. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities including limiting direct investment in securities of issuers involved in the ownership or operation of gambling related activities or facilities and production of adult entertainment materials. The assessment of the level of involvement in each activity may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials.

The Fund will also apply the following ESG criteria consisting of for corporate issues a score of one or above as defined by MSCI's ESG Controversies score, or their equivalents as determined by the Investment Adviser from time to time (further details regarding MSCI's rating criteria is available on MSCI's website at www.msci.com);. The Investment Adviser may use other data providers and criteria to assess the ESG credentials and suitability of securitised assets such as ABS and MBS.

The Fund adopts a “best in class” approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective) for each relevant sector of activities (without excluding any sector of activities). More than 90% of the issuers of securities in which the Fund invests shall be ESG rated or have been analysed for ESG purposes. In applying its ESG Policy, the Fund reduced its allocation to sovereign securities compared to the FTSE World Government Bond Index and the JP Morgan EMBI Global Diversified Index by at least 20%. The Fund shall not invest in the bottom quintile of sovereign issuers according to an ESG assessment of the worldwide sovereign universe.

● ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The binding elements of the investment strategy are as follows:

1. Maintain that the Fund holds at least 20% in Sustainable Investments.
2. Enhancing exposure to investments that are deemed to have associated positive externalities, compared to the Fund’s ESG Reporting Index while limiting investments that are deemed to have associated negative externalities.
3. Apply the BlackRock EMEA Baseline Screens and exclusionary screens.
4. Maintain weighted average ESG rating of the corporate portion of the Fund higher than the ESG rating of the corporate portion of the ESG Reporting Index after eliminating at least 20% of the least well-rated securities from the ESG Reporting Index.
5. Ensure that more than 90% of the issuers of securities in which the Fund invests (excluding money market funds) shall be ESG rated or have been analysed for ESG purposes.

● ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

● ***What is the policy to assess good governance practices of the investee companies?***

BlackRock assesses good governance practices of the investee companies by combining proprietary insights and shareholder engagement by the Investment Adviser, with data from external ESG research providers. BlackRock uses data from external ESG research providers to initially identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

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.

Good governance
practices include sound management structures, employee relations, remuneration of staff and tax compliance.



What is the asset allocation planned for this financial product?

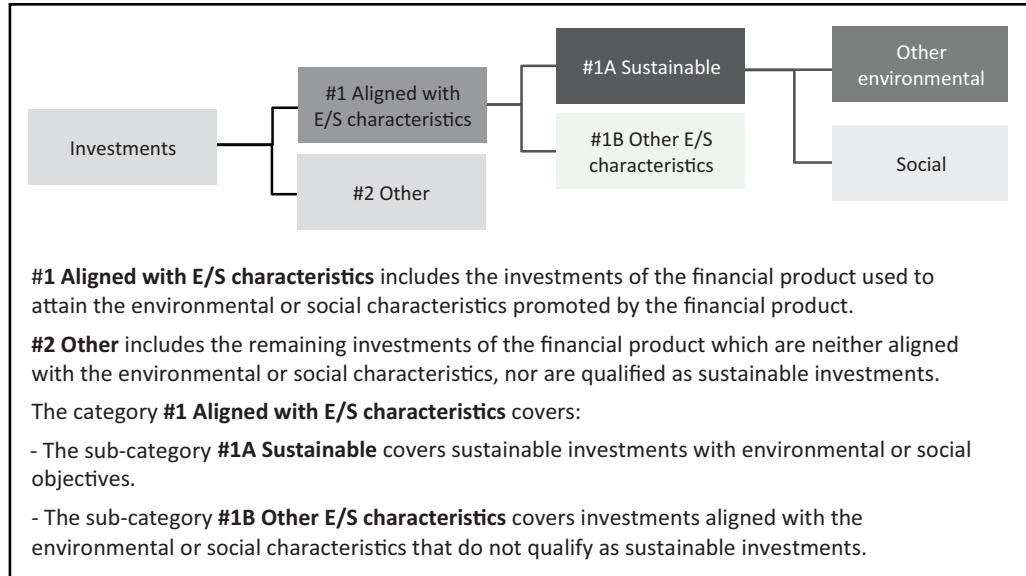
Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies

A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (**#1 Aligned with E/S characteristics**). Of these investments, a minimum of 20% of the Fund's total assets will be invested in Sustainable Investments (**#1A Sustainable**), and the remainder will be invested in investments aligned with other environmental and/or social characteristics described above (**#1B Other E/S characteristics**).

The Fund may invest up to 20% of its total assets in other investments (**#2 Other investments**).



- **How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?**

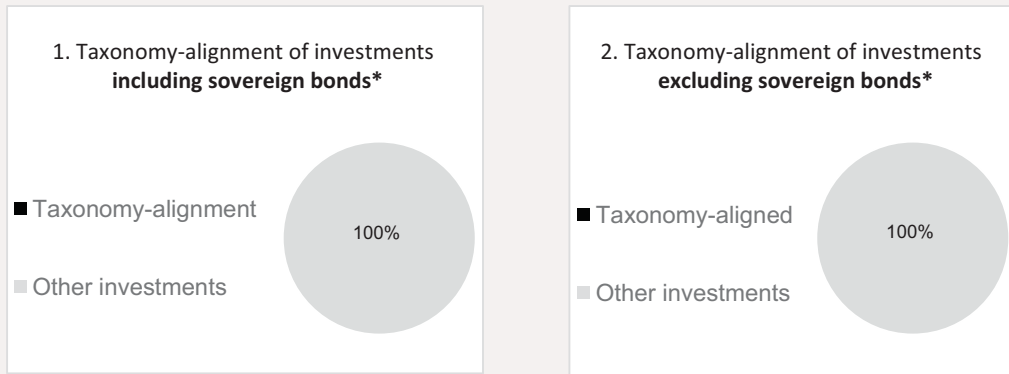
The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not currently commit to investing more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

The two graphs below show the minimum percentage of investments that are 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*

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.

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

● **What is the minimum share of investments in transitional and enabling activities?**

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.



● **What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments. As noted above, these Sustainable Investments will be a mix of Sustainable Investments with an environmental objective that is not aligned with the EU taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

The Fund invests in Sustainable Investments that are 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 may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.



● **What is the minimum share of socially sustainable investments?**

A minimum of 20% of the Fund's total assets will be invested in Sustainable Investments. As noted above, these Sustainable Investments will be a mix of Sustainable Investments with an environmental objective that is not aligned with the EU taxonomy or a social objective or a combination of both, and the exact composition may fluctuate.

The Fund invests in Sustainable Investments that are 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 may be unavailable; and / or (iii) underlying economic activities may not be eligible under the EU Taxonomy's available technical screening criteria or may not comply with all requirements set out in such technical screening criteria.



● **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund's (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are considered against minimum environmental or social safeguards.



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

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No.

Please note that the Bloomberg Euro-Aggregate Index (1-3 Years) (80%) and Bloomberg Global Aggregate Index (1-3 Years) (20%) is used to compare certain ESG characteristics promoted by the Fund.

- ***How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?***

Not applicable.

- ***How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?***

Not applicable.

- ***How does the designated index differ from a relevant broad market index?***

Not applicable.

- ***Where can the methodology used for the calculation of the designated index be found?***

Not applicable.



Where can I find more product specific information online?

More product-specific information can be found on the website:

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for Sustainable Investments can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-sfdr-sustainable-investments-methodology.pdf>. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>