

BlackRock



Interim report and unaudited financial statements

BlackRock Continental European Income
Fund

For the six months ended 31 August 2025

NM1025U-4949826-1/21

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General Information

Manager & Registrar

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

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

Directors of the Manager

G D Bamping*
A Hoctor-Duncan* (Appointed 1 October 2025)
D Edgar
T S Hale
A M Lawrence (Resigned 30 April 2025)
A Lewis*
S Sabin
M Seymour
M T Zemek*

Trustee & Custodian

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

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

Investment Manager

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

Authorised and regulated by the FCA.

Stock Lending Agent

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

Authorised and regulated by the FCA.

Auditor

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

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

This Report relates to the packaged products of and is issued by:

BlackRock Fund Managers Limited
12 Throgmorton Avenue, London EC2N 2DL
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For your protection, telephone calls are usually recorded.

* Non-executive Director.

About the Fund

BlackRock Continental European Income Fund (the “Fund”) is a UK UCITS scheme under the COLL Sourcebook. The Fund was established on 6 May 2011. The Fund’s FCA product reference number is 542061.

Assessment of value

The FCA requires UK fund managers to complete an annual assessment of whether their UK authorised funds provide value for investors. Our assessment considers fund and unit class level performance, costs and charges, and service quality, concluding with an evaluation of whether investors receive value. BlackRock has fulfilled its obligations for the reporting requirement, including assessing relevant charges, and published the annual assessment of value statements on the BlackRock website on 30 October 2024 in a composite report for all funds managed by BlackRock Fund Managers Limited subject to these requirements. The next annual assessment is due for publication by the end of October 2025.

Task Force on Climate-Related Financial Disclosures – TCFD Product Report

The Manager has produced a supplemental TCFD Product Report in accordance with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and FCA requirements for TCFD reporting. These disclosures describe how the Manager incorporates climate-related risks and opportunities into governance, strategy, risk management, metrics and targets. The latest report is available at <https://www.blackrock.com/uk/literature/public-disclosure/tcf-product-level-disclosure-report-bcf.pdf>.

Fund Managers

As at 31 August 2025, the Fund Managers were Brian Hall and Stuart Brown.

Significant Events

Changes in the Directors of the Manager

A M Lawrence resigned as a Director, effective 30 April 2025.

Subsequent Events

Changes in the Directors of the Manager

A Hooctor-Duncan was appointed as a Director, effective 1 October 2025.

There have been no other significant events subsequent to the period end, which, in the opinion of the Manager, may have had an impact on the Financial Statements for the period ended 31 August 2025.

Investment Manager's Report

for the six months ended 31 August 2025

Investment Objective

The aim of the Fund is to provide an above average income return (gross of fees) from its equity investments (i.e. shares), compared to the income produced by European equity markets (excluding the UK) as represented by FTSE World Europe Ex UK Index (i.e. a level of income which exceeds that produced by the constituents of the index), without sacrificing capital growth (i.e. the value of the assets held by the Fund) over the long term (5 or more consecutive years beginning at the point of investment).

Target benchmark	Investment management approach
FTSE All World Developed Europe ex UK Index	Active

Performance Summary

The following table compares the Fund's realised performance against the performance of the target benchmark during the financial period ended 31 August 2025.

	Fund return %	Target benchmark %
Class D Accumulation Units	6.27	5.38

Further information on the performance measures and calculation methodologies used is detailed below:

- Fund returns shown, calculated net of fees, are the performance returns for the primary unit class of the Fund which has been selected as a representative unit class. The primary unit class represents the class of unit which is the highest charging unit class, free of any commissions or rebates, and is freely available. Performance returns for any other unit class can be made available on request.
- Fund returns are based on the NAV per unit as at close of business for reporting purposes only, for the purpose of fair comparison and presentation with the target benchmark close of business valuation point is used.
- Due to the Financial Reporting Standard 102 ("FRS 102") and the Statement of Recommended Practice for Authorised Funds ("SORP") requirements, including the accounting policy for the valuation point at 12 noon, there may be differences between the NAV per unit as recorded in the financial statements and the NAV per unit calculated in accordance with the Prospectus.

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

Global Economic Overview

Global equities, as represented by the MSCI All Country World Index, returned 3.69% (in GBP terms) during the six months ended 31 August 2025. Equities made gains amid declining inflation (the rate of increase in the prices of goods and services) and easing monetary policy from the world's largest central banks. However, investor sentiment was increasingly affected by geopolitical tensions, including the conflicts in Europe and the Middle East, and the introduction of protectionist trade policies in the US that raised the prospect of disruption to the global economy.

Investment Manager's Report continued

Although economic growth in the US was strong in 2024, figures for the first quarter of 2025 indicated a downturn caused by a surge in imports ahead of the expected introduction of the US administration's trade tariffs. However, figures for the second quarter of 2025 showed a return to growth. In Japan, gross domestic product ("GDP") contracted slightly at the start of 2025. The UK economy, meanwhile, expanded by 0.7% in the first quarter of 2025 and 0.3% in the second quarter of 2025. Eurozone's GDP accelerated in early 2025 but grew by just 0.1% between April and June 2025.

Most emerging markets continued to grow, although geopolitical conflicts and high interest rates presented economic challenges. The Chinese GDP grew more quickly than expected in the first half of 2025, following the introduction of government stimulus measures in the last quarter of 2024. Meanwhile, India's GDP rose strongly over the first half of 2025.

Having reduced interest rates on three occasions in 2024, the US Federal Reserve (the Fed) paused its interest rate cutting programme in the first half of 2025 due to concerns about inflation and uncertainty around the potential impact of US trade tariffs. However, both the Bank of England (BoE) and the European Central Bank (ECB) continued to reduce interest rates. Conversely, the Bank of Japan ("BoJ") increased borrowing costs further at the start of 2025 in response to rising domestic inflation.

The performance of global equity markets was positive overall but somewhat volatile over the period. There were sharp declines in the US markets, particularly in spring 2025, due to concerns that tariffs introduced by the US administration could lead to higher inflation and lower growth. However, the administration's decision to postpone the implementation of the highest tariffs and initiate trade negotiations helped to calm investors' nerves. Attacks by Israel and the US on Iran's nuclear infrastructure led to some further market turbulence in June 2025.

Share prices in China continued to rise in the wake of new stimulus measures, and the Japanese market rose as exporters shrugged off the impact of the US tariffs. Performance among European stocks was relatively strong as markets benefited from a rotation out of US shares in early 2025. Investors also welcomed the news that European governments planned significantly to increase infrastructure and defence spending.

Globally, bonds and equities that factor in companies' environmental, social and governance ("ESG") characteristics faced regulatory concerns and shifting investor sentiment. ESG funds experienced record outflows over the first quarter of 2025, but there were net positive inflows in the second quarter of 2025. In both the US and Europe, regulators proposed new rules to ensure that investment companies were able to substantiate claims related to sustainability.

US government bond yields (which move inversely to bond prices) remained elevated due to the potential inflationary impact of the Trump administration's economic policies but ended the first half of 2025 slightly lower.

Yields on UK gilts rose in early 2025 due to concerns about higher levels of government borrowing. Meanwhile, European government bond yields also rose sharply during spring 2025 after the German government announced its plans to increase borrowing to fund defence and infrastructure spending. In Japan, yields on government securities rose over the six month period, reflecting expectations of further interest rate hikes by the BoJ. The performance of Global corporate credit markets was broadly positive, as continued resilience in the global economy alleviated credit concerns.

Investment Manager's Report continued

In commodities markets, Brent crude oil prices initially declined due to global production increases and fears that tariffs in the US could lead to a slowdown in global growth. However, the attacks on Iran by Israel and the US in June 2025 caused prices to spike briefly. Gold prices rose to record highs because of geopolitical concerns which led to increased demand for safe haven assets and signs that American trade policy could lead to prolonged turbulence in equity and bond markets. Copper prices were particularly volatile; prices rose as traders attempted to stockpile the metal ahead of the expected introduction of tariffs but then declined sharply in late July 2025 after reports indicated copper would be exempt from US import levies.

In foreign exchange markets, the US dollar's performance relative to other major global currencies was negative as it fell against sterling, the euro, the Japanese yen and the Chinese yuan.

Fund Performance Review and Activity

Over the six month period to 31 August 2025, the Fund's return was 6.27% and the active return was 0.89%, outperforming its target benchmark which returned 5.38% (active return is the difference between the Fund's return and the target benchmark return).

In line with the Fund's income objective, as at 31 August 2025, on a twelve-month trailing basis, the dividend yield of the Fund was 3.8% and the dividend yield of the target benchmark was 2.9%. This represents a yield premium of 31% relative to the target benchmark.

European equities maintained their upward trajectory during the reporting period, albeit amid periods of market volatility (markets ups and downs). Management and investors alike experienced uncertainty due to changing equity market and macro narratives, including US trade tariffs, divergence in central bank interest rate policy, and weakening consumer confidence in the US. Project delays and deferred capital allocation decisions were reflected in the earnings season results, contributing to a downward revision in European earnings expectations. This resulted in a narrowly driven market concentrated in the few sectors experiencing positive revisions to earnings forecasts: aerospace and defence, insurance and European banks.

The Fund outperformed by maintaining a more balanced and defensive profile over this period of increased volatility and frequent shifts in investment styles. In addition to the Fund's income objectives to deliver a dividend yield premium to the market and grow income over time, the Fund's portfolio is designed to maintain resilience during market turbulence while consistently outperforming its target benchmark, typically operating with beta (portfolio's sensitivity to the market) below 1 which means the Fund tends to move less than the market.

During the six month period, the following were the largest contributors to and detractors from the Fund's return relative to the target benchmark:

Largest Contributors		Largest Detractors	
Stock	Effect on Fund return	Stock	Effect on Fund return
Caixabank [#]	0.86%	Richemont [#]	(0.47%)
Novo Nordisk [^]	0.79%	Banco Santander [^]	(0.38%)
KBC [#]	0.70%	Rheinmetall [^]	(0.36%)
LVMH [^]	0.56%	RELX [#]	(0.32%)
Unicredit [#]	0.49%	Industria De Diseno Textil [#]	(0.32%)

[#] Overweight position - holds more exposure than the target benchmark.

[^] Underweight position - holds less exposure than the target benchmark.

Investment Manager's Report continued

The Fund's outperformance was driven by a number of positions in the European financials sector, namely banks such as CaixaBank, KBC and UniCredit. The Fund benefitted from being underweight to cyclical areas of the market, such as technology and consumer discretionary. Most notably, not owning LVMH contributed positively to relative performance.

Consumer-related stocks were among the Fund's top detractors, with both Richemont and Industria De Diseno Textil contributing negatively to relative performance. Broadly, consumer spending recovery has stalled in the period with recent commentary from several management teams indicating weaker current trading. The shift, due to macroeconomic weakness and heightened uncertainty, was received negatively by investors.

The following table details the significant active positions, where the Fund was overweight (held more exposure than the target benchmark) and underweight (held less exposure than the target benchmark), at 31 August 2025 and 28 February 2025:

Top overweight positions			
31 August 2025		28 February 2025	
Stock	Active Weighting	Stock	Active Weighting
KBC	3.20%	KBC	3.28%
Caixabank	3.20%	Enel	3.14%
Assa Abloy	3.16%	Caixabank	3.03%

Top underweight positions			
31 August 2025		28 February 2025	
Stock	Active Weighting	Stock	Active Weighting
ASML	(2.99%)	Nestle	(2.77%)
Nestle	(2.44%)	Roche	(2.71%)
Novo Nordisk	(1.83%)	ASML	(2.17%)

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

Increased uncertainty at the start of the reporting period, particularly in March, and a wider range of potential outcomes with changes across both sides of the Atlantic prompted a reposition of the Fund's portfolio to reflect the evolving market landscape. With this in mind, the Investment Manager carefully made a number of changes and brought the Fund's beta down. Overall, the Fund has decreased exposures to cyclicals and companies with significant US revenues, while increasing the focus on resilient assets and companies generating revenues from European domestic markets.

Outlook

In an environment marked by increased uncertainty and volatility, the Investment Manager remains focused on the resilience of earnings and cashflows. The Investment Manager continues to observe a robust bottom-up outlook, which is expected to support a shift in market leadership once current uncertainties subside – potentially broadening participation in what has been a very narrowly led market.

Net Asset Value

At 31 August 2025	Units in Issue	Net Asset Value £000's	Net Asset Value per Unit p
A Income	7,428,523	13,923	187.4
A Accumulation	2,382,320	7,864	330.1
X Income	795,885	1,103	138.6
X Accumulation	408,154	1,040	254.8
D Income	463,005,014	965,380	208.5
D Accumulation	79,369,997	292,043	368.0
S Income	229,120,745	256,271	111.9
S Accumulation	287,575	334	116.2
A Income Hedged	1,000	2	141.7
A Accumulation Hedged	1,000	2	210.9
D Income Hedged	8,049,941	12,285	152.6
D Accumulation Hedged	6,815,645	14,798	217.1

Distributions Payable for the period to 31 August 2025

Unit Class	Distribution payable on 31.10.2025 Pence per Unit
A Income	0.5561
A Accumulation	0.9757
X Income	0.4036
X Accumulation	0.7400
D Income	0.6180
D Accumulation	1.0868
S Income	0.3317
S Accumulation	0.3435
A Income Hedged	0.4260
A Accumulation Hedged	0.6240
D Income Hedged	0.4563
D Accumulation Hedged	0.6470

continued

Operating Charges

Unit Class	1.3.2025 to 31.8.2025	1.3.2024 to 28.2.2025
A Income	1.66%	1.67%
A Accumulation	1.66%	1.66%
X Income	0.03%	0.02%
X Accumulation	0.03%	0.02%
D Income	0.91%	0.91%
D Accumulation	0.91%	0.91%
S Income	0.83%	0.83%
S Accumulation	0.83%	0.83%
A Income Hedged	1.66%	1.66%
A Accumulation Hedged	1.66%	1.66%
D Income Hedged	0.91%	0.91%
D Accumulation Hedged	0.91%	0.91%

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

Portfolio Statement (unaudited)

at 31 August 2025

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
EQUITIES – 98.20%; 28.2.2025 98.69%			
Belgium – 5.39%; 28.2.2025 3.49%			
653,195	Anheuser-Busch InBev	30,287	1.94
618,278	KBC Group ^o	53,967	3.45
		84,254	5.39
Denmark – 1.94%; 28.2.2025 7.15%			
14,950	DSV A/S	2,452	0.16
589,679	Novonosis Novozymes B ^o	27,794	1.78
		30,246	1.94
Finland – 7.62%; 28.2.2025 6.33%			
862,406	Kone Oyj	40,063	2.56
3,353,806	Nordea Bank Abp ^o	38,025	2.43
4,831,925	Sampo Oyj	41,150	2.63
		119,238	7.62
France – 29.02%; 28.2.2025 17.53%			
185,195	Air Liquide SA	28,274	1.81
220,704	Airbus SE	34,238	2.19
1,257,257	AXA SA	43,330	2.77
588,521	Cie de Saint-Gobain SA	47,000	3.00
578,772	Danone SA	35,692	2.28
2,180,065	Engie SA	33,402	2.13
339,981	Legrand SA	38,306	2.45
193,291	Safran SA	47,709	3.05
491,970	Sanofi SA	36,003	2.30
129,299	Schneider Electric SE	23,524	1.50
628,192	SPIE SA	25,764	1.65
170,100	Thales SA	33,187	2.12
276,445	Vinci SA	27,746	1.77
		454,175	29.02
Germany – 15.20%; 28.2.2025 17.80%			
823,921	Commerzbank AG ^o	23,335	1.49
1,092,026	Deutsche Telekom AG	29,613	1.89
1,986,567	E.ON SE	26,212	1.67
457,930	GEA Group AG	24,677	1.58
246,811	SAP SE	49,533	3.16
311,577	Siemens AG	64,084	4.09
1,076,569	Springer Nature AG & Co. KGaA	20,613	1.32
		238,067	15.20
Italy – 7.93%; 28.2.2025 7.05%			
4,008,707	Enel SpA	27,381	1.75

Holding or Nominal Value	Investment	Market Value £000's	% of Total Net Assets
10,344,011	Intesa Sanpaolo SpA	48,160	3.08
849,156	UniCredit SpA	48,584	3.10
		124,125	7.93
Luxembourg – 0.00%; 28.2.2025 0.94%			
Netherlands – 5.16%; 28.2.2025 5.68%			
747,110	ASR Nederland	38,357	2.45
143,228	BE Semiconductor Industries ^o	14,282	0.91
694,625	Ferrovial SE	28,092	1.80
		80,731	5.16
Spain – 7.12%; 28.2.2025 5.72%			
7,505,127	CaixaBank SA ^o	55,464	3.54
2,536,864	Iberdrola SA	35,330	2.26
566,300	Industria de Diseno Textil SA	20,704	1.32
		111,498	7.12
Sweden – 5.85%; 28.2.2025 8.95%			
2,086,526	Assa Abloy AB	54,736	3.50
610,213	Tele2 AB	7,973	0.51
1,265,869	Volvo AB	28,823	1.84
		91,532	5.85
Switzerland – 10.57%; 28.2.2025 14.18%			
167,794	Cie Financiere Richemont SA	21,713	1.39
84,194	Geberit AG	45,716	2.92
359,260	Holcim AG	22,289	1.42
249,197	Novartis AG	23,350	1.49
87,791	Roche Holding AG	21,167	1.35
57,832	Zurich Insurance Group AG	31,294	2.00
		165,529	10.57
United Kingdom – 1.95%; 28.2.2025 2.38%			
885,071	RELX PLC	30,491	1.95
United States of America – 0.45%; 28.2.2025 1.49%			
181,399	Amrize, Ltd.	7,013	0.45
COLLECTIVE INVESTMENT SCHEMES – 0.83%; 28.2.2025 0.68%			
Short-term Money Market Funds – 0.83%; 28.2.2025 0.68%			
129,039	BlackRock ICS Sterling Liquid Environmentally Aware Fund - Agency Income Class [†]	12,903	0.83

Portfolio Statement (unaudited) continued

Holding or Nominal Value	Investment	Underlying Exposure – Derivatives £000's	Market Value £000's	% of Total Net Assets
DERIVATIVES – 0.00%; 28.2.2025 0.03%				
Forward Currency Contracts – 0.00%; 28.2.2025 0.03%				
DKK 2,516,297	Danish Krone vs UK Sterling [^]	293	–	0.00
€ 1,337,097	Euro vs UK Sterling	1,159	(2)	0.00
SEK 1,306,641	Swedish Krona vs UK Sterling [^]	103	–	0.00
CHF 342,993	Swiss Franc vs UK Sterling [^]	318	–	0.00
£ 1,604,404	UK Sterling vs Danish Krone	1,599	1	0.00
£ 42,001,169	UK Sterling vs Euro	42,013	(11)	0.00
£ 4,535,257	UK Sterling vs Swedish Krona	4,553	(14)	0.00
£ 6,399,951	UK Sterling vs Swiss Franc	6,385	15	0.00
		56,423	(11)	0.00
Portfolio of investments			1,549,791	99.03
Net other assets			15,254	0.97
Total net assets			1,565,045	100.00

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

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

The counterparty for the forward currency contracts is Bank of New York Mellon International.

⁰ All or a portion of this investment represents a security on loan.

[†] Managed by a related party.

[^] Investments which are less than £500 are rounded to zero.

Statement of Total Return (unaudited)

for the six months ended 31 August 2025

		31.8.2025		31.8.2024
	£000's	£000's	£000's	£000's
Income				
Net capital gains		54,719		28,447
Revenue	48,794		47,166	
Expenses	(6,717)		(6,874)	
Interest payable and similar charges	(2)		–	
Net revenue before taxation	42,075		40,292	
Taxation	(4,848)		(3,352)	
Net revenue after taxation		37,227		36,940
Total return before distributions		91,946		65,387
Distributions		(43,944)		(43,814)
Change in net assets attributable to unitholders from investment activities		48,002		21,573

Statement of Change in Net Assets Attributable to Unitholders

(unaudited) for the six months ended 31 August 2025

		31.8.2025		31.8.2024
	£000's	£000's	£000's	£000's
Opening net assets attributable to unitholders		1,318,456		1,525,461
Amounts receivable on issue of units	356,332		147,740	
Amounts payable on cancellation of units	(167,050)		(260,503)	
		189,282		(112,763)
Change in net assets attributable to unitholders from investment activities		48,002		21,573
Retained distribution on accumulation units		9,305		9,929
Unclaimed distributions over 6 years old*		–		2
Closing net assets attributable to unitholders		1,565,045		1,444,202

* In accordance with the FCA rules (COLL 6.8.4), any distributions remaining unclaimed after a period of six years are recognised as a part of the capital of the Fund.

The above statement shows the comparative closing net assets at 31 August 2024 whereas the current accounting period commenced 1 March 2025.

Balance Sheet (unaudited)

at 31 August 2025

	31.8.2025	28.2.2025
	£000's	£000's
Assets:		
Fixed assets		
– Investment assets	1,549,818	1,310,529
Current assets		
– Debtors	36,759	19,337
– Cash and bank balances	1,553	1,334
Total assets	1,588,130	1,331,200
Liabilities:		
Investment liabilities	(27)	(6)
Creditors		
– Distributions payable	(3,702)	(4,470)
– Other creditors	(19,356)	(8,268)
Total liabilities	(23,085)	(12,744)
Net assets attributable to unitholders	1,565,045	1,318,456

G D Bamping (Director)

M T Zemek (Director)

BlackRock Fund Managers Limited

30 October 2025

Notes to Financial Statements (unaudited)

for the six months ended 31 August 2025

Accounting Policies

The financial statements have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice ("UK GAAP") and the Statement of Recommended Practice for Authorised Funds (the "SORP") issued by the Investment Management Association (now known as the Investment Association) in May 2014 and amended in June 2017.

The accounting policies applied are consistent with those of the financial statements for the year ended 28 February 2025 and are described in those annual financial statements.

Supplementary Information

Efficient Portfolio Management Techniques

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

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

Securities Lending

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

The following table details the value of securities on loan as a proportion of the Fund's total lendable assets and Net Asset Value (NAV) as at 31 August 2025 and the income earned for the period ended 31 August 2025. Total lendable assets represents the aggregate value of assets forming part of the Fund's securities lending programme. This excludes any assets held by the Fund that are not considered lendable due to any market, regulatory, investment or other restriction.

Securities on loan		
% of lendable assets	% of NAV	Income earned £000's
4.80	4.63	30

If there is securities lending revenue generated, the securities lending agent will receive a fee of 37.5% of such securities lending revenue and will pay any third party operational and administrative costs associated with, and incurred in respect of, such activity, out of its fee.

The following table details the value of securities on loan (individually identified in the Fund's portfolio statement) and associated collateral received, analysed by counterparty as at 31 August 2025.

Counterparty	Securities Lending		
	Counterparty's country of establishment	Amount on loan £000's	Collateral received £000's
Barclays Capital Securities Limited	UK	27,587	29,246
BNP Paribas	France	17,361	18,348
Morgan Stanley International	UK	2,618	2,773
The Bank of Nova Scotia	Canada	25,086	27,015
Total		72,652	77,382

Supplementary Information continued

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

Collateral

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

The following table provides an analysis by currency of the underlying cash and non-cash collateral received/posted by way of title transfer collateral arrangement by the Fund, in respect of securities lending transactions and OTC FDIs, as at 31 August 2025.

Currency	Cash collateral received £000's	Cash collateral posted £000's	Non-cash collateral received £000's	Non-cash collateral posted £000's
Securities lending transactions				
CAD	–	–	262	–
CHF	–	–	992	–
DKK	–	–	252	–
EUR	–	–	11,192	–
GBP	–	–	7,437	–
HKD	–	–	559	–
JPY	–	–	5,381	–
NOK	–	–	29	–
SEK	–	–	242	–
SGD	–	–	7	–
USD	–	–	51,029	–
Total	–	–	77,382	–

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

Supplementary Information continued

The following table provides an analysis of the type, quality and maturity tenor of non-cash collateral received/posted by the Fund by way of title transfer collateral arrangement in respect of securities lending transactions, as at 31 August 2025.

Collateral type and quality	Maturity Tenor					Open transactions	Total
	1 - 7 days	8 - 30 days	31 - 90 days	91 - 365 days	More than 365 days		
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Collateral received - securities lending							
Fixed income							
Investment grade	–	92	1,416	9,602	28,334	–	39,444
Equities							
Recognised equity index	–	–	–	–	–	36,025	36,025
ETFs							
Non-UCITS	–	–	–	–	–	1,913	1,913
Total	–	92	1,416	9,602	28,334	37,938	77,382

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

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

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

Supplementary Information continued

As at 31 August 2025, all non-cash collateral received by the Fund in respect of securities lending transactions is held by the Fund's Trustee (or through its delegates).

The following table lists the top ten issuers (or all the issuers if less than ten) by value of non-cash collateral received by the Fund by way of the title transfer collateral arrangement across securities lending transactions as at 31 August 2025.

Issuer	Value £000's	% of the Fund's NAV
United States Treasury	27,483	1.75
United Kingdom Gilt	4,958	0.32
Microsoft Corp	2,754	0.18
NVIDIA Corp	2,754	0.18
Eli Lilly & Co	2,754	0.18
Kingdom of Belgium Government Bond	2,524	0.16
Salesforce Inc	2,415	0.15
iShares Core S&P 500 ETF	1,913	0.12
Societe Generale SA	1,826	0.12
Republic of Austria Government Bond	1,677	0.11
Other issuers	26,324	1.66
Total	77,382	4.93

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