THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action to be taken, you should consult your stockbroker, bank manager, solicitor, accountant, relationship manager or other professional adviser immediately. This letter is available in languages other than English and copies can be obtained at www.iShares.com or requested by calling 08009171770 or +442077431500 (UK numbers) (please refer to the website for international phone numbers)

13 November 2026

To: Shareholders of iShares AT1 Bond Active UCITS ETF (ISIN: IE000DYQE2Q3; IE000XPG7Q27; IE000RGNDFJ6; and IE000RWQ7DN4) (the "**Fund**"), a sub-fund of iShares III plc (the "**Company**")

Dear Shareholder,

The Directors of the Company wish to advise you of a change to the ESG policy of the Fund. These changes are described below, and the Fund's offering documents will be updated accordingly.

The changes being made will not have a material effect on the manner in which your investment is managed. You are not required to do anything as a result of this notification.

Changes to the Fund's ESG policy

The ESG policy of the Fund currently provides that the Investment Manager will seek to enhance, by at least 5% relative to the ICE Developed Markets Contingent Capital Index (the "**Index**"), exposure to investments deemed to

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have associated positive externalities, i.e. environmental and social benefits as defined by the Investment Manager. This part of the ESG policy will be replaced with a more focused approach under which the Investment Manager will target an enhancement, of at least 5% relative to the Index, in exposure to issuers with one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi). The Investment Manager may use third-party data or its own research and analysis, in making this assessment as further described in the Appendix to this letter.

The other features of the Fund's ESG policy will remain unchanged.

The Fund will remain classified as an Article 8 fund for the purposes of the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (SFDR).

Additional Amendment

In addition to the foregoing, the Directors of the Company wish to advise you of a clarificatory change to the Prospectus as it relates to this Fund. The Fund has the ability to use FDI for investment and/or efficient portfolio management purposes. Through the use of FDI the Fund may be leveraged, and the Prospectus disclosure is being clarified accordingly.

Rationale for the changes

The Directors of the Company are of the view that the changes described in this letter are in the best interests of Shareholders as the product

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amendments better enable the Fund to express active management views, whilst preserving the core sustainability features of the Fund.

Changes to the Fund's offering documents

The change the Fund's ESG policy is due to take effect on or around 30 November 2026 (the "**Effective Date**"). It is anticipated that the Prospectus will be updated to reflect the changes described in this letter on or around the Effective Date, or as soon as possible thereafter, subject to the approval of the Central Bank of Ireland.

The updated Prospectus will be available on www.ishares.com.

Costs

There will be no additional transaction costs incurred by the Fund as a result of the change.

Further information

If you have any queries, please contact iShares on info@ishares.com , or your usual iShares representative.

Yours faithfully



Director
For and on behalf of
iShares III plc

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APPENDIX

Current Prospectus Disclosure	New Prospectus Disclosure
ESG Policy The Investment Manager will manage the Fund to promote environmental and social characteristics based on the environmental and social criteria set out below. The Investment Manager will apply the BlackRock EMEA Baseline Screens (as described in Schedule VII). The Investment Manager will also employ its 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 Manager from time to time. In determining positive and negative externalities, the Investment Manager may have regard to the considerations set out below. The Fund's investments that may be considered by the Investment Manager to have positive externalities include where: • the issuer has one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi) as validated by third-party vendor data or by way of the Investment Manager's own research and analysis; • the issuer has involvement in positive environmental and social impact activities, as determined by the Investment Manager, which may be based on third-party vendor data or on the Investment Manager's own research and analysis (where the issuer is a bank, these may be revenues from financing green building and renewable energy projects, small and medium-sized enterprises and affordable real estate); • the issuer demonstrates very strong management of environmental, social, and governance (ESG) risks and opportunities compared with its industry peers (this may be based on ratings from a third party data vendor or based on the Investment Manager's own research and analysis); and/or • the investment is a "green bond" (which complies with the International Capital Markets Association's four Green Bond	*ESG Policy* The Investment Manager will manage the Fund to promote environmental and social characteristics based on the environmental and social criteria set out below. The Investment Manager will apply the BlackRock EMEA Baseline Screens (as described in Schedule VII). **The Investment Manager will seek to enhance, by at least 5% relative to the Index (as defined below), exposure to issuers with one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi) as validated by third-party vendor data or by way of the Investment Manager's own research and analysis.** The Investment Manager will also employ its 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 Manager from time to time**, and will seek to exclude exposure to such investments**. In determining ~~**positive and**~~ negative externalities, the Investment Manager may have regard to the considerations set out below~~.~~ **which include where**: ~~**The Fund's investments that may be considered by the Investment Manager to have positive externalities include where:**~~ ~~**• the issuer has one or more active carbon emissions reduction target(s) approved by the Science Based Targets initiative (SBTi) as validated by third-party vendor data or by way of the Investment Manager's own research and analysis;**~~ ~~**• the issuer has involvement in positive environmental and social impact activities, as determined by the Investment Manager, which may be based on third-party vendor data or on the Investment Manager's own research and analysis (where the issuer is a bank, these may be revenues from financing green building and renewable energy**~~

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Principles) and which may or may not also be an AT1 security. Green bonds (AT1 or otherwise) are specifically issued with an environmental financing objective. The proceeds of a green bond are ringfenced for its environmental financing objective. The Fund's investments that may be considered by the Investment Manager to have negative externalities include where: • the issuer has been directly involved in a ESG controversy with a very serious, large-scale negative impact on the environment or society (which may include an issuer's involvement in gross human rights violations, major environmental disasters or large-scale corruption and fraud cases). This determination may be based on ratings from a third-party data vendor or on the Investment Manager's own research and analysis; • the issuer demonstrates poor management measures concerning environmental, social, and governance (ESG) risks and opportunities compared with its industry peers (this may be based on ratings from a third-party data vendor or on the Investment Manager's own research and analysis). The Investment Manager will seek to enhance exposure to investments that are deemed to have associated positive externalities (by ensuring that the Fund maintains an exposure greater than the Index (as defined below) by at least 5% to issuers with positive externalities) and seek to exclude exposure to investments that are deemed to have associated negative externalities in each case in order to promote environmental and social characteristics related to (i) the support for the transition to a lower carbon economy and (ii) climate change mitigation. The Investment Manager will evaluate underlying investments in companies according to the good governance criteria outlined in the SFDR where relevant data is available and as appropriate given the underlying investment type. These criteria relate to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager may also consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers. Should any Fund holdings, compliant at the time of investment with the Fund's investment objective and policy (including the ESG Policy), subsequently become ineligible, they may continue to be held until it is possible and practicable (in the Investment Manager's view)	~~projects, small and medium-sized enterprises and affordable real estate);~~ ~~• the issuer demonstrates very strong management of environmental, social, and governance (ESG) risks and opportunities compared with its industry peers (this may be based on ratings from a third-party data vendor or based on the Investment Manager's own research and analysis); and/or~~ ~~• the investment is a "green bond" (which complies with the International Capital Markets Association's four Green Bond Principles) and which may or may not also be an AT1 security. Green bonds (AT1 or otherwise) are specifically issued with an environmental financing objective. The proceeds of a green bond are ringfenced for its environmental financing objective.~~ ~~The Fund's investments that may be considered by the Investment Manager to have negative externalities include where:~~ • the issuer has been directly involved in a ESG controversy with a very serious, large-scale negative impact on the environment or society (which may include an issuer's involvement in gross human rights violations, major environmental disasters or large-scale corruption and fraud cases). This determination may be based on ratings from a third-party data vendor or on the Investment Manager's own research and analysis; • the issuer demonstrates poor management measures concerning environmental, social, and governance (ESG) risks and opportunities compared with its industry peers (this may be based on ratings from a third-party data vendor or on the Investment Manager's own research and analysis). ~~The Investment Manager will seek to enhance exposure to investments that are deemed to have associated positive externalities (by ensuring that the Fund maintains an exposure greater than the Index (as defined below) by at least 5% to issuers with positive externalities) and seek to exclude exposure to investments that are deemed to have associated negative externalities in each case in order to promote environmental and social characteristics related to (i) the support for the transition to a lower carbon economy and (ii) climate change mitigation.~~

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to be divested by the Fund (within a reasonable period of time). For the purposes of the AMF ESG Rules, the ESG policy constitutes the measurable ESG objectives that are incorporated into the Fund's investment policy.	The Investment Manager will evaluate underlying investments in companies according to the good governance criteria outlined in the SFDR where relevant data is available and as appropriate given the underlying investment type. These criteria relate to sound management structures, employee relations, remuneration of staff and tax compliance. The Investment Manager may also consider additional factors relating to good governance in its assessment of the sustainability related characteristics of underlying issuers. Should any Fund holdings, compliant at the time of investment with the Fund's investment objective and policy (including the ESG Policy), subsequently become ineligible, they may continue to be held until it is possible and practicable (in the Investment Manager's view) to be divested by the Fund (within a reasonable period of time). For the purposes of the AMF ESG Rules, the ESG policy constitutes the measurable ESG objectives that are incorporated into the Fund's investment policy.

Risk Management Process *In relation to the Active Funds listed below:* *iShares $ Corp Bond Enhanced Active UCITS ETF, iShares € Corp Bond Enhanced Active UCITS ETF and iShares AT1 Bond Active UCITS ETF:* • It is not the Investment Manager's intention to leverage the Fund.	*Risk Management Process* *In relation to the Active Funds listed below:* *iShares $ Corp Bond Enhanced Active UCITS ETF* ***and*** *iShares € Corp Bond Enhanced Active UCITS ETF* ~~***and iShares AT1 Bond Active UCITS ETF***~~*:* • It is not the Investment Manager's intention to leverage the Fund.
iShares AI Innovation Active UCITS ETF: • *In implementing its investment policy, the Fund is generally not expected to be leveraged. It may generate leverage if FDI are used; however such leverage is not expected to exceed 10% of the Fund's Net Asset Value.* *iShares U.S. Equity High Income Active UCITS ETF and iShares World Equity High Income Active UCITS ETF:* • *In implementing its investment policy, the Fund is generally expected to be leveraged at around 50% of its Net Asset Value.*	*iShares AI Innovation Active UCITS ETF:* • In implementing its investment policy, the Fund is generally not expected to be leveraged. It may generate leverage if FDI are used; however such leverage is not expected to exceed 10% of the Fund's Net Asset Value. ***iShares AT1 Bond Active UCITS ETF:*** • **In implementing its investment policy, the Fund may generate leverage if FDI are used. Such leverage is generally expected to be at around 5%-10% of the Fund's Net Asset Value and not expected to exceed 40% of the Fund's Net Asset Value.**

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	iShares U.S. Equity High Income Active UCITS ETF and iShares World Equity High Income Active UCITS ETF: • In implementing its investment policy, the Fund is generally expected to be leveraged at around 50% of its Net Asset Value.

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