

# iShares ESG Aware MSCI USA Small-Cap ETF

## ESML | Cboe BZX Exchange

### Annual Shareholder Report — August 31, 2025



This annual shareholder report contains important information about iShares ESG Aware MSCI USA Small-Cap ETF (the “Fund”) for the period of September 1, 2024 to August 31, 2025. You can find additional information about the Fund at [blackrock.com/fundreports](https://blackrock.com/fundreports). You can also request this information by contacting us at 1-800-iShares (1-800-474-2737).

#### What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

Fund name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
iShares ESG Aware MSCI USA Small-Cap ETF	\$18	0.17%

#### How did the Fund perform last year?

- For the reporting period ended August 31, 2025, the Fund returned 8.65%.
- For the same period, the MSCI USA Index returned 16.45% and the MSCI USA Small Cap Extended ESG Focus Index returned 8.85%.

#### What contributed to performance?

For the reporting period, the largest contributor to the Fund’s performance included stocks in the industrials sector. Aerospace and defense companies gained amid robust government and commercial aerospace demand, sizable contract wins, and favorable industry tailwinds. Meanwhile, construction and engineering stocks were supported by demand for data centers and transportation improvements. Companies in the financials sector were also notable contributors, benefiting from resilient equity markets, rising assets under management, strong trends in wealth management, and high trading volumes. In addition, regional banks gained due to loan growth, and improved credit quality. In the information technology sector, semiconductor and semiconductor equipment stocks gained.

#### What detracted from performance?

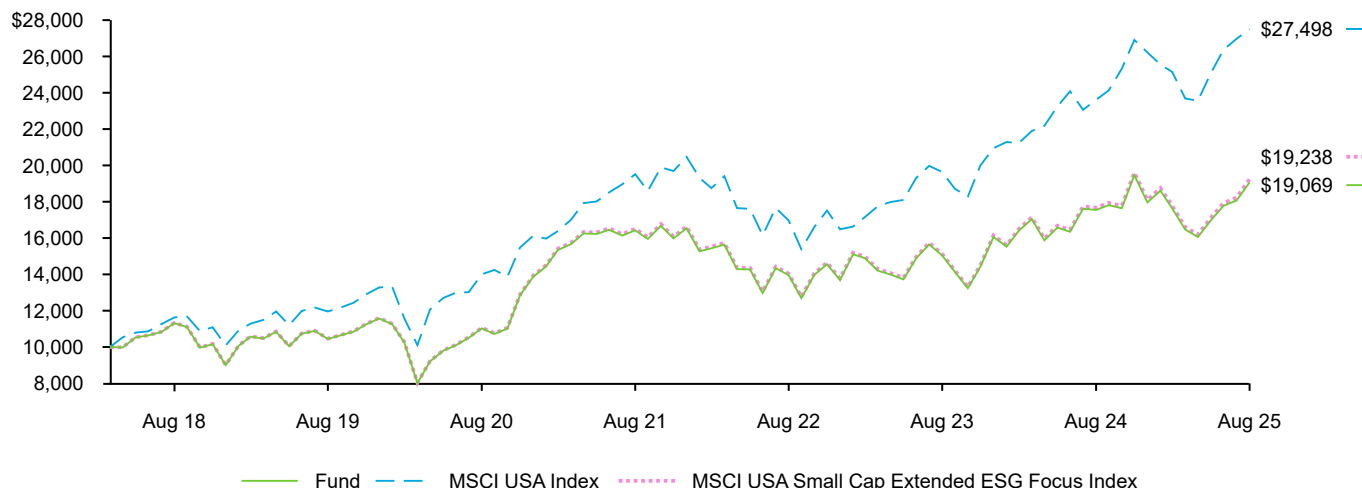
During the reporting period, healthcare stocks detracted from the Fund’s return. Biotechnology companies were pressured by sector-wide challenges such as increased regulatory scrutiny and delayed or uncertain drug approval timelines. Additionally, a reduction in funding availability, coupled with competitive pressures and mixed clinical results contributed to stock volatility and declines.

*The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.*

#### Fund performance

Cumulative performance: April 10, 2018 through August 31, 2025

Initial investment of \$10,000



See “Average annual total returns” for additional information on fund performance.

## Average annual total returns

	Since Fund		
	1 Year	5 Years	Inception
Fund NAV.....	8.65%	11.58%	9.12%
MSCI USA Index.....	16.45	14.45	14.67
MSCI USA Small Cap Extended ESG Focus Index.....	8.85	11.70	9.26

## Key Fund statistics

Net Assets.....	\$1,985,191,168
Number of Portfolio Holdings.....	914
Net Investment Advisory Fees.....	\$3,135,784
Portfolio Turnover Rate.....	35%

The inception date of the Fund was April 10, 2018.

**Past performance is not an indication of future results.** Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. Visit [iShares.com](https://www.ishares.com) for more recent performance information.

## What did the Fund invest in?

(as of August 31, 2025)

### Sector allocation

Sector	Percent of Total Investments <sup>(a)</sup>
Industrials.....	20.2%
Financials.....	16.3
Information Technology.....	14.7
Consumer Discretionary.....	13.2
Health Care.....	11.6
Real Estate.....	5.7
Materials.....	4.2
Consumer Staples.....	4.1
Energy.....	4.0
Communication Services.....	3.3
Utilities.....	2.7

### Ten largest holdings

Security	Percent of Total Investments <sup>(a)</sup>
U.S. Foods Holding Corp.....	0.5%
Comfort Systems USA, Inc.....	0.5
Casey's General Stores, Inc.....	0.5
Insmed, Inc.....	0.5
Janus Henderson Group PLC.....	0.4
Astera Labs, Inc.....	0.4
TechnipFMC PLC.....	0.4
Guidewire Software, Inc.....	0.4
Assurant, Inc.....	0.4
Ovintiv, Inc.....	0.4

(a) Excludes money market funds.

## Additional information

If you wish to view additional information about the Fund, including but not limited to financial statements, the Fund's prospectus, and proxy voting policies and procedures, please visit [blackrock.com/fundreports](https://www.blackrock.com/fundreports). For proxy voting records, visit [blackrock.com/proxyrecords](https://www.blackrock.com/proxyrecords).

## Householding

Householding is an option available to certain fund investors. Householding is a method of delivery, based on the preference of the individual investor, in which a single copy of certain shareholder documents can be delivered to investors who share the same address, even if their accounts are registered under different names. Please contact your broker-dealer if you are interested in enrolling in householding and receiving a single copy of prospectuses and other shareholder documents, or if you are currently enrolled in householding and wish to change your householding status.

The Fund is not sponsored, endorsed, issued, sold or promoted by MSCI Inc. and its affiliates, nor does this company make any representation regarding the advisability of investing in the Fund. BlackRock is not affiliated with the company listed above.

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**iShares**  
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