

# iShares ESG Optimized MSCI USA Min Vol Factor ETF

## ESMV | NASDAQ

### Annual Shareholder Report — July 31, 2025



This annual shareholder report contains important information about iShares ESG Optimized MSCI USA Min Vol Factor ETF (the “Fund”) (formerly known as iShares ESG MSCI USA Min Vol Factor ETF) for the period of August 1, 2024 to July 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).

This report describes changes to the Fund that occurred during the reporting period.

#### 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 Optimized MSCI USA Min Vol Factor ETF | \$19                           | 0.18%   |

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

- For the reporting period ended July 31, 2025, the Fund returned 6.16%.
- For the same period, the MSCI USA Index returned 16.96% and the MSCI USA Minimum Volatility Extended ESG Reduced Carbon Target Index returned 6.34%.

#### What contributed to performance?

Stocks in the information technology sector were the leading contributors to the Fund’s return during the reporting period. Systems software firms benefited from strong growth in their respective cloud businesses and increasing adoption of artificial intelligence (“AI”) technologies. Application software companies, spanning chip designers and industrial and financial software innovators, contributed as they accelerated their AI-driven monetization through AI-native tools and platform enhancements. In the technology hardware space, communications equipment stocks gained as they leveraged artificial intelligence to automate network management, enhance product capabilities, and deliver more efficient and intelligent solutions to enterprise and consumer markets. In the industrials sector, firms in the aerospace and defense segment experienced positive momentum due to increased defense spending, while building products companies benefited from strong demand for cooling systems in data centers.

#### What detracted from performance?

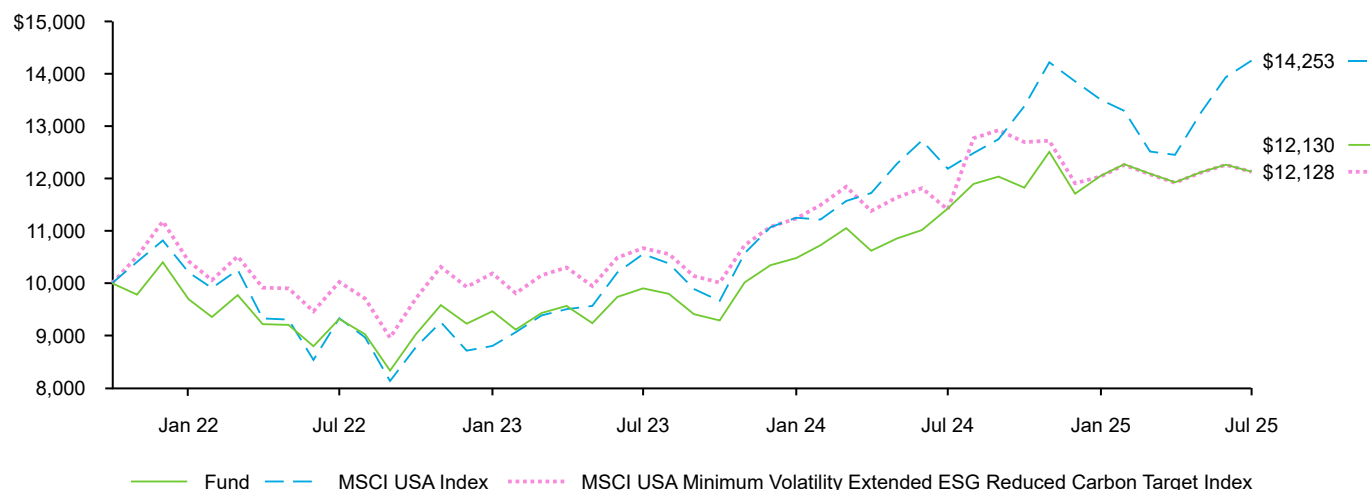
Healthcare stocks detracted from the Fund’s return during the reporting period, as the sector was increasingly pressured by regulatory scrutiny and policy upheaval. Managed healthcare firms faced additional challenges due to rising utilization and medical costs, as well as changes in reimbursement levels.

*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: November 2, 2021 through July 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     | Inception |
| Fund NAV.....   | 6.16%      | 5.30%     |
| MSCI USA Index.....   | 16.96      | 9.93      |
| MSCI USA Minimum Volatility Extended ESG Reduced Carbon Target Index..... | 6.34       | 5.29      |

## Key Fund statistics

|                                   |             |
|-----------------------------------|-------------|
| Net Assets.....                   | \$8,588,389 |
| Number of Portfolio Holdings..... | 155         |
| Net Investment Advisory Fees..... | \$18,113    |
| Portfolio Turnover Rate.....      | 24%         |

The inception date of the Fund was November 2, 2021.

**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 July 31, 2025)

### Sector allocation

| Sector                      | Percent of Total Investments <sup>(a)</sup> |
|-----------------------------|---|
| Information Technology..... | 26.6%                                       |
| Health Care.....            | 14.2  |
| Financials.....             | 12.1  |
| Industrials.....            | 11.1  |
| Consumer Staples.....       | 10.4  |
| Consumer Discretionary..... | 6.1   |
| Utilities.....              | 5.7   |
| Communication Services..... | 4.9   |
| Energy.....                 | 3.8   |
| Real Estate.....            | 2.6   |
| Materials.....              | 2.5   |

### Ten largest holdings

| Security                                  | Percent of Total Investments <sup>(a)</sup> |
|---|---|
| Microsoft Corp.....                       | 1.8%  |
| Chevron Corp.....                         | 1.7   |
| NVIDIA Corp.....                          | 1.7   |
| Cisco Systems, Inc.....                   | 1.6   |
| Public Service Enterprise Group, Inc..... | 1.6   |
| Motorola Solutions, Inc.....              | 1.6   |
| T-Mobile U.S., Inc.....                   | 1.5   |
| Cencora, Inc.....                         | 1.5   |
| Mastercard, Inc., Class A.....            | 1.5   |
| Northrop Grumman Corp.....                | 1.5   |

<sup>(a)</sup> Excludes money market funds.

## Material Fund changes

This is a summary of certain changes to the Fund since July 31, 2024. For more complete information, you may review the Fund's next prospectus, which we expect to be available approximately 120 days after July 31, 2025 at [blackrock.com/fundreports](https://www.blackrock.com/fundreports) or upon request by contacting us at 1-800-iShares (1-800-474-2737).

Effective June 2, 2025, the name of the Fund was changed from iShares ESG MSCI USA Min Vol Factor ETF to iShares ESG Optimized MSCI USA Min Vol Factor ETF.

## 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.

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