

iShares Interest Rate Hedged High Yield Bond ETF

HYGH | NYSE Arca

Annual Shareholder Report — October 31, 2025



This annual shareholder report contains important information about iShares Interest Rate Hedged High Yield Bond ETF (the “Fund”) for the period of November 1, 2024 to October 31, 2025. You can find additional information about the Fund at 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 Interest Rate Hedged High Yield Bond ETF	\$5 ^(a)	0.05% ^(a)

^(a) Excludes fees and expenses incurred indirectly as a result of investments in underlying funds.

How did the Fund perform last year?

- For the reporting period ended October 31, 2025, the Fund returned 7.73%.
- For the same period, the Bloomberg U.S. Universal Index returned 6.51%, the BlackRock Interest Rate Hedged High Yield Bond Index (Spliced) returned 7.15% and the Markit iBoxx USD Liquid High Yield Index returned 8.26%.

What contributed to performance?

Anticipation of rate cuts caused spreads (the difference in the yield between two bonds with similar maturities but different credit qualities) on high-yield debt to narrow during the reporting period although the move was modest, with spreads finishing the period roughly flat. Mixed economic signals and ongoing global trade tensions also influenced bond returns, while the late-period U.S. government shutdown added to market volatility. After cutting rates in December of 2024, the Federal Reserve held policy rates steady through the first part of the year, before cutting rates by 25 basis points in both September and October 2025 as evidence of a cooling labor market outweighed persistent, though elevated, inflation concerns. The yield on the 10-year Treasury increased slightly during the reporting period. Among high yield bonds, communications and consumer cyclical bonds were the largest contributors to the Fund’s return. Within credit quality, bonds rated Ba and B by Moody’s benefited performance.

What detracted from performance?

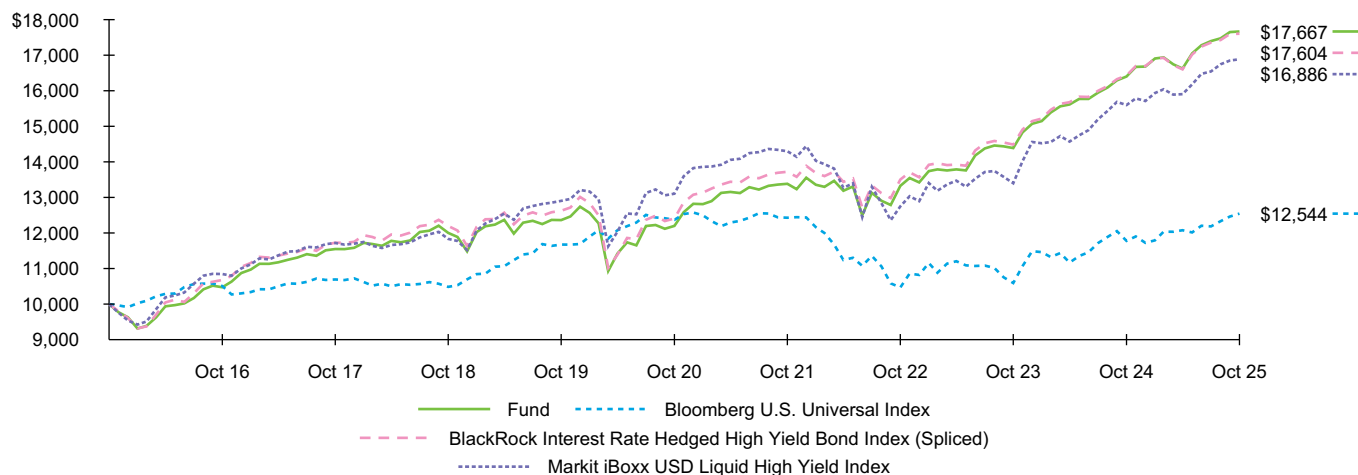
There were no significant detractors from the Fund’s return during the reporting period.

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 1, 2015 through October 31, 2025

Initial investment of \$10,000



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

Average annual total returns

	1 Year	5 Years	10 Years
Fund NAV	7.73%	7.69%	5.86%
Bloomberg U.S. Universal Index	6.51	0.28	2.29
BlackRock Interest Rate Hedged High Yield Bond Index (Spliced)	7.15	7.25	5.82
Markit iBoxx USD Liquid High Yield Index	8.26	5.20	5.38

Key Fund statistics

Net Assets	\$436,400,963
Number of Portfolio Holdings	174
Net Investment Advisory Fees	\$206,866
Portfolio Turnover Rate	1%

The BlackRock Interest Rate Hedged High Yield Bond Index (Spliced) reflects the performance of the Markit iBoxx USD Liquid High Yield Interest Rate Hedged Index through June 16, 2016 (when the Fund was actively managed), the Markit iBoxx USD Liquid High Yield Interest Rate Hedged Swaps Index from June 17, 2016 through November 30, 2021 (when the Fund was actively managed), and the BlackRock Interest Rate Hedged High Yield Bond Index thereafter (when it became the Fund's Underlying Index). Prior to December 1, 2021, the Fund did not seek to track the investment results of an index but was managed by BlackRock Fund Advisors ("BFA") during the applicable periods using an investment strategy substantially similar to the methodology of the Markit iBoxx USD Liquid High Yield Interest Rate Hedged Index and the Markit iBoxx USD Liquid High Yield Interest Rate Hedged Swaps Index.

The Fund will no longer compare its performance to the Markit iBoxx USD Liquid High Yield Index effective approximately one year from February 28, 2025.

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 October 31, 2025)

Portfolio composition

Asset Type	Percent of Net Assets
Investment Companies	95.1%
Short-term Investments	48.5
Swaps, net cumulative depreciation	(0.4)
Other assets less liabilities	(43.2)

Credit quality allocation (of the underlying fund)^(a)

Credit Rating ^(b)	Percent of Total Investments ^(c)
Baa	1.4%
Ba	45.7
B	39.0
Caa	11.5
Ca	0.6
Not Rated	1.8

^(a) The underlying fund is iShares iBoxx \$ High Yield Corporate Bond ETF.

^(b) Credit quality ratings shown reflect the ratings assigned by Moody's Investors Service ("Moody's"), a widely used independent, nationally recognized statistical rating organization. Moody's credit ratings are opinions of the credit quality of individual obligations or of an issuer's general creditworthiness. Investment grade ratings are credit ratings of Baa or higher. Below investment grade ratings are credit ratings of Ba or lower. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

^(c) 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 Bloomberg Index Services Limited, BlackRock Index Services, LLC, Markit Indices Limited and their respective affiliates, nor do these companies make any representation regarding the advisability of investing in the Fund. BlackRock is not affiliated with Bloomberg Index Services Limited or Markit Indices Limited but is affiliated with BlackRock Index Services, LLC.

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