iShares Short Duration High Yield Muni Active ETF
SHYM | Cboe BZX Exchange
Annual Shareholder Report — July 31, 2025

This annual shareholder report contains important information about iShares Short Duration High Yield Muni Active ETF (the "Fund") (formerly known as BlackRock High Yield Muni Income ETF) for the period of August 1, 2024 to July 31, 2025. You can find additional information about the Fund at **blackrock.com/fundreports**. You can also request this information by contacting us at (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 Short Duration High Yield Muni Active ETF	$33	0.33%

How did the Fund perform last year?

- For the reporting period ended July 31, 2025, the Fund returned 0.86%.
- For the same period, the Bloomberg Municipal Bond Index returned 0.00%, the Bloomberg Municipal High Yield Bond Index returned (0.86)%, and the Bloomberg Custom Blend Benchmark returned (0.75)%.

What contributed to performance?

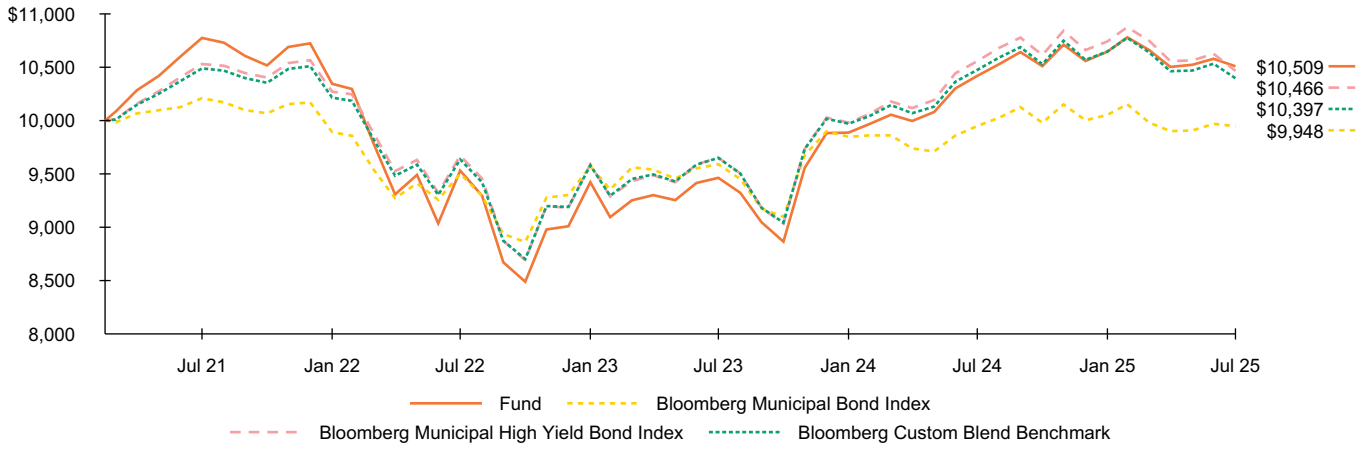
Income, which offset the impact of falling prices and widening yield spreads, was the key contributor to performance. At the sector level, holdings in short-term development district issues and prepaid gas bonds contributed.

What detracted from performance?

Holdings in longer-duration securities and those with maturities of 20 years and longer, which posted negative total returns, detracted from performance. (Duration is a measure of interest rate sensitivity.) In terms of sectors, transportation was the largest detractor.

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: March 16, 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

	1 Year	Since Fund Inception
Fund NAV	0.86%	1.14%
Bloomberg Municipal Bond Index	0.00	(0.12)
Bloomberg Custom Blend Muni Index	N/A	N/A
Bloomberg Municipal High Yield Bond Index	(0.86)	1.05
Bloomberg Custom Blend Benchmark	(0.75)	0.89

Key Fund statistics

Net Assets	$366,732,564
Number of Portfolio Holdings	321
Net Investment Advisory Fees	$895,878
Portfolio Turnover Rate	50%

The inception date of the Fund was March 16, 2021.

Effective July 1, 2025, the Fund has changed the benchmark against which it measures its performance from Bloomberg Municipal High Yield Bond Index and Bloomberg Custom Blend Benchmark to Bloomberg Custom Blend Muni Index. The Bloomberg Custom Blend Muni Index is relevant to the Fund because it has characteristics similar to the Fund's investment strategies. The Fund's returns shown prior to July 1, 2025 are the returns of the Fund when it followed different investment strategies under the name iShares High Yield Muni Income Active ETF.

The Bloomberg Custom Blend Muni Index is comprised of the Bloomberg Municipal High Yield (0-18 years) Index (60%), the Bloomberg Muni BBB (0-18 years) Index (20%) and 20% IG ex BBB (0-18 years) Index (20%). The Bloomberg Custom Blend Muni Index commenced on May 1, 2025.

The Bloomberg Custom Blend Benchmark is comprised of the Bloomberg Municipal High Yield Index (80%), the Bloomberg BBB Index (10%) and the Bloomberg Single A Index (10%).

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** for more recent performance information.

What did the Fund invest in?

(as of July 31, 2025)

Credit quality allocation

Credit Rating*	Percent of Total Investments[(a)]
AAA/Aaa	0.1%
AA/Aa	8.9
A	10.2
BBB/Baa	8.9
BB/Ba	14.9
B	7.5
CCC/Caa	0.2
N/R	49.3

Ten largest holdings

Security	Percent of Total Investments[(a)]
University of Vermont and State Agricultural College RB, 5.00%, 10/01/40	3.8%
New York Transportation Development Corp RB AMT, 5.25%, 08/01/31	3.4
California Infrastructure & Economic Development Bank RB AMT, 9.50%, 01/01/65	2.9
California Municipal Finance Authority RB AMT, 4.00%, 07/15/29	2.2
City & County of Denver CO RB AMT, 5.00%, 10/01/32	2.2
New York Transportation Development Corp. RB AMT, 5.00%, 07/01/46	2.1
City of Philadelphia PA Water & Wastewater Revenue RB, Series A, 5.00%, 10/01/42	2.1
Southeast Energy Authority A Cooperative District RB, 5.00%, 01/01/56	1.9
Vermont Economic Development Authority RB AMT, 5.00%, 06/01/52	1.6
Massachusetts School Building Authority RB, Series C, 5.00%, 08/15/37	1.6

(a) Excludes money market funds.

* For purposes of this report, credit quality ratings shown above reflect the highest rating assigned by either S&P Global Ratings or Moody's Investors Service, Inc. if ratings differ. These rating agencies are independent, nationally recognized statistical rating organizations and are widely used. Investment grade ratings are credit ratings of BBB/Baa or higher. Below investment grade ratings are credit ratings of BB/Ba or lower. Investments designated N/R are not rated by either rating agency. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

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** or upon request by contacting us at (800) 474-2737.

On July 30, 2024, the Fund's Board approved to change the name of the Fund from BlackRock High Yield Muni Income ETF to iShares High Yield Muni Income Active ETF. This change became effective on October 10, 2024. Additionally, on February 10, 2025, the Fund changed its ticker from HYMU to SHYM.

On September 13, 2024, the Fund's Board approved to change the name of the Fund from iShares High Yield Muni Income Active ETF to iShares Short Duration High Yield Muni Active ETF. In connection with the Fund's name change, the Fund made certain changes to its investment strategies, including (i) seeking a weighted average effective duration of less than 5 years and (ii) adding the ability to invest in derivatives, other investment companies, and tender option bonds. These changes became effective on July 1, 2025.

Effective July 1, 2025, BlackRock Fund Advisors LLC has contractually agreed to reduce the Fund's investment advisory fee from 0.45% to 0.40% based on the Fund's average daily net assets and to reduce the advisory fee waiver from 0.10% to 0.05%.

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**. For proxy voting records, visit **blackrock.com/proxyrecords**.

Householding

The Fund will mail only one copy of shareholder documents, including prospectuses, annual and semi-annual reports and proxy statements, to shareholders with multiple accounts at the same address. This practice is commonly called “householding” and is intended to reduce expenses and eliminate duplicate mailings of shareholder documents. Mailings of your shareholder documents may be householded indefinitely unless you instruct us otherwise. If you do not want the mailing of these documents to be combined with those for other members of your household, please call the Fund at (800) 474-2737.

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