



iShares MSCI ACWI Low Carbon Target ETF

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CRBN

Expense ratio

0.20%

Index

MSCI ACWI Low Carbon Target Index

Holdings

1,273

Inception date

December 8, 2014

Source: BlackRock, as of 12/31/2018. Holdings are subject to change

Transition to a Low Carbon Economy

More investors – from global institutions to individuals – are looking to address the risk of climate change within their portfolios.

The iShares MSCI ACWI Low Carbon Target ETF seeks to track an index composed of companies with a lower carbon footprint while maintaining a similar risk and return as the broad market.

Why CRBN?



Sustainable Objective

Reduce carbon footprint along two dimensions by focusing on companies that have less fossil fuel reserves and those that are less dependent on fossil fuels (Figure 1 & 2)



Performance

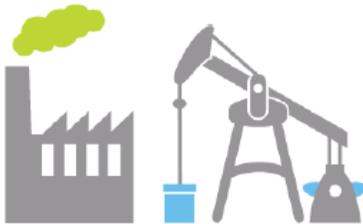
Moving beyond divestment allows portfolio to **balance between carbon reduction and seeking similar risk/return** as the broad market



Implementation

Maintain global stock exposure by placing as a core or satellite equity holding to reduce carbon footprint of your portfolio

Carbon Footprint Evaluation Criteria



Direct/Indirect Emissions

Fossil Fuel Reserves

Figure 1: Weighted Average Carbon Intensity¹

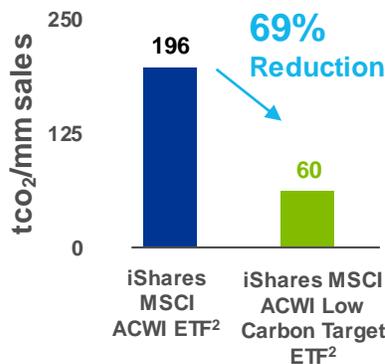
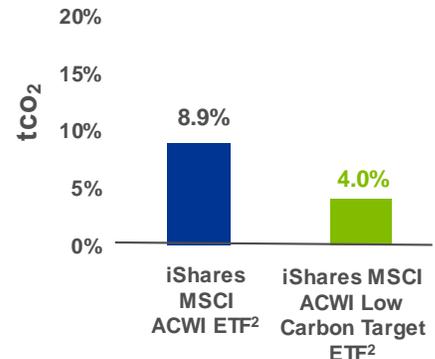


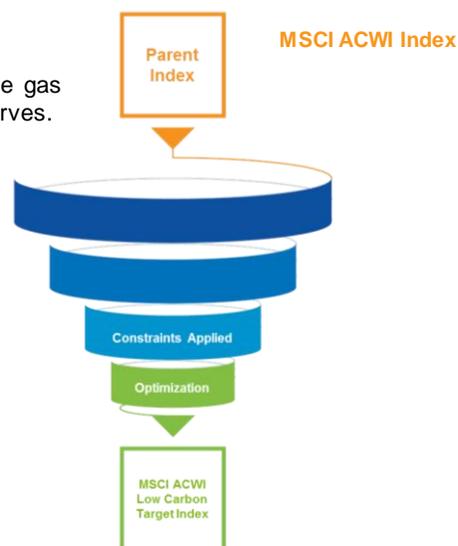
Figure 2: Market Value of Companies Owning Fossil Fuel Reserves (as % of total fund)



1. MSCI Weighted Average Carbon Emissions Intensity is measured by metric tons of carbon emissions emitted per million dollars of revenue. The iShares MSCI ACWI ETF seeks to track the MSCI ACWI Index (the Parent Index to CRBN's benchmark, the MSCI ACWI Low Carbon Target Index). 2. Source: MSCI ESG Fund Metrics as of 08/31/2018, based on holdings as of 07/31/2018. For MSCI ESG Fund Metrics and more information on ESG Metrics, please see the end of this document.

How the index is built

- 1 The carbon exposure of a security is measured in terms of its greenhouse gas (GHG) emissions and its potential carbon emissions from fossil fuel reserves.
- 2 Apply the following constraints:
 - Tracking Error: 30 basis points
 - Sector Weight: +/- 2% absolute sector difference vs Parent Index. (Energy sector has no weight constraints)
 - Country Weight: +/- 2% absolute country difference vs Parent Index
 - Issue weight: Single security maximum weight restricted to 20 times the Parent Index Weight
 - Minimum number of constituents: 400
- 3 An optimization process aims to minimize the carbon exposure, subject to constraints*.
- 4 Rebalanced Semi-annually.



Source: MSCI. Full illustrative purposes only.

*After the optimization process, securities with weights less than 1/10th the minimum weight of the parent index are eliminated and their weight is proportionally distributed to the remaining index constituents.

MSCI ESG Fund Metrics

Source: MSCI ESG Fund Metrics, as of 08/31/2018

Ticker	Fund	ESG Quality Score % Rank	Lipper Peer Group (# of funds in category)	ESG Quality Score	Weighted Average Carbon Intensity	ESG Coverage	Holdings Date
CRBN	iShares MSCI ACWI Low Carbon Target ETF	N/A	N/A	5.7	60.1	99.0%	7/31/2018
ACWI	iShares MSCI ACWI ETF	39 th	Equity Global (2285)	5.6	194.8	99.0%	7/31/2018

The **ESG Quality Score % Rank** measures how a fund's overall ESG Quality Score ranks relative to other funds in the same Lipper peer group. 100% represents the best score. The Fund **ESG Quality Score** measures the ability of underlying holdings to manage key medium to long-term risks and opportunities arising from environmental, social, and governance factors. The Fund ESG Quality Score is calculated as the weighted average of the underlying holding's ESG Scores. The Fund ESG Quality Score is provided on a 0-10 score, with 0 and 10 being the respective lowest and highest possible fund scores. MSCI rates underlying holdings according to their exposure to 37 industry specific ESG risks and their ability to manage those risks relative to peers. These issuer-level ESG ratings correspond to an issuer-level ESG Score. **MSCI Weighted Average Carbon Intensity:** Measured in tons CO₂/\$M sales. Since companies with higher carbon intensity are likely to face more exposure to carbon related market and regulatory risks, this metric indicates a fund's exposure to potential climate change-related risks relative to other funds or a benchmark. To be included in MSCI Fund Metrics, 65% of the fund's gross weight must come from securities covered by MSCI ESG Research, the fund's holdings date must be less than one year old, and the fund must have at least ten securities. **Past ESG metrics are not indicative of future results.**

Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing. Investing involves risk, including possible loss of principal.

A fund's environmental, social and governance ("ESG") investment strategy limits the types and number of investment opportunities available to the fund and, as a result, the fund may underperform other funds that do not have an ESG focus. A fund's ESG investment strategy may result in the fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards.

The iShares MSCI ACWI Low Carbon Target ETF may not reflect a lower carbon exposure as there is no guarantee that the underlying index will achieve its intended results or accurately assess an issuer's actual and potential carbon emissions.

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