



Proxy Voting Policy for Social Index Funds

Procedures Governing Delegation of Proxy Voting of Portfolio Securities

Effective Date: April 12, 2018

Applies to the following types of Funds registered under the 1940 Act:

- Open-End Mutual Funds (including money market funds)
- Money Market Funds Only
- iShares ETFs
- Closed-End Funds
- Other (iShares – Social Index Funds)

1. Introduction

The Boards of Directors /Trustees of the issuers of the iShares Funds (together, the “Boards”), have approved separate proxy voting guidelines for the Funds listed in Appendix A (the “Social Index Funds”) and has delegated to Institutional Shareholder Services (“ISS”) the responsibility for voting proxies on the portfolio securities held by the Social Index Funds. This Policy is a high-level overview of the guidelines approved by the Boards.

2. Proxy Voting Policies

The Social Index Funds maintain proxy voting guidelines consistent with the principle that “socially responsible” and/or “environmentally responsible” shareholders are concerned not only with economic returns and sound corporate governance, but also with the ethical behavior of corporations and the social and environmental impact of their actions. With respect to social and environmental matters, the Social Index Funds’ proxy voting guidelines seek to reflect a broad consensus of the socially responsible investing community. The guidelines are based on a commitment to create and preserve economic value and to advance principles of good corporate governance, consistent with responsibilities to society and the environment. The Social Index Funds vote (or refrain from voting) proxies in a manner that is consistent with these principles. In some cases, it may be in the best interest of shareholders of the Social Index Funds to refrain from exercising the Social Index Funds’ proxy voting rights. The Social Index Funds’ proxy voting guidelines provide detailed guidance as to how to vote proxies on certain important or commonly raised issues. ISS, as proxy voting agent for the Social Index Funds, will vote (or refrain from voting) on specific proxy issues in accordance with the Social Index Funds’ proxy voting guidelines. The guidelines permit ISS to consider certain proposals on a case-by-case basis and to vote on such proposals based on various factors, including an examination of the proposal’s merits and consideration of recent and company-specific information. The Social Index Funds vote (or refrain from voting) proxies without regard to the relationship of the issuer of the proxy (or any shareholder of such issuer) to the Social Index Funds, the Social Index Funds’ affiliates (if any), BlackRock Fund Advisors (“BFA”) or BFA’s affiliates, or BlackRock Investments, LLC (the “Distributor”) or the Distributor’s affiliates.

With respect to certain specific issues:

- the Social Index Funds vote on the election of directors on a case by case basis. The Social Index Funds generally oppose slates of director nominees that are not comprised of a majority of independent directors and withhold votes from non-independent directors who sit on key board committees;
- the Social Index Funds generally support social, workforce and environmental proposals that promote “good corporate citizenship” and/or “environmental stewardship” while enhancing long term shareholder and stakeholder value and proposals that call for more detailed and comparable reporting of a company’s social, workforce and environmental performance; and
- the Social Index Funds generally vote against anti-takeover proposals and proposals that limit the ability of shareholders to act independently of management.

3. Conflicts Management

ISS seeks to apply the Social Index Funds’ proxy voting policies consistently across all proposals and issues votes strictly according to the Social Index Funds’ policy in order to minimize conflicts of interests. ISS also maintains policies and practices that are designed to neutralize and guard against any conflict of interest that could arise between the issuer of the proxy (or any shareholder of the issuer) and ISS or ISS’s affiliates. In certain instances, ISS may engage a qualified third party to perform a proxy analysis and issue a vote recommendation as a further safeguard to avoid the influence of a potential conflict of interest.

4. Oversight

BlackRock’s Investment Stewardship Team is responsible for confirming that ISS has adopted and implemented written policies and procedures that are reasonably designed to ensure that the Social Index Funds’ proxies are voted by ISS in the best interests of the Social Index Funds and that ISS has established and implemented measures reasonably designed to identify and address any conflicts that can arise on an ongoing basis by requiring ISS to provide updates regarding any changes to their business, including with respect to capacity and competency to provide proxy voting advice, or their conflict policies and procedures. In addition, the adequacy of such policies and procedures shall be reviewed at least annually, and proxy voting for the Social Index Funds shall be monitored to ensure compliance with the Social Index Funds’ proxy voting guidelines and ISS’ procedures, such as by sampling votes cast for the Social Index Funds, including routine proposals as well as those that require more analysis, to confirm compliance.

5. Reports to the Board

BlackRock will report to the Directors on proxy votes on behalf of the Funds at least annually.

6. Availability of Proxy Voting Records

Information with respect to how ISS voted proxies relating to the Social Index Funds’ portfolio securities during the 12-month period ended June 30 is available: (i) without charge, upon request, by calling 1-800-iShares (1-800-474-2737) or through the Social Index Funds’ website at www.iShares.com; and (ii) on the SEC’s website at www.sec.gov.

Appendix A

iShares MSCI KLD 400 Social ETF
iShares MSCI USA ESG Select ETF
iShares MSCI ACWI Low Carbon Target ETF
iShares MSCI Global Impact ETF
iShares MSCI EAFE ESG Optimized ETF
iShares MSCI EM ESG Optimized ETF
iShares MSCI USA ESG Optimized ETF
iShares ESG USD Corporate Bond ETF
iShares ESG 1-5 Year USD Corporate Bond ETF
iShares MSCI USA Small-Cap ESG Optimized ETF