

**Pre-contractual disclosure for the financial products referred to in
Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph,
of Regulation (EU) 2020/852**

**Product name: iShares Green Bond Index Fund (IE)
Legal entity identifier: 549300O118D0DNZ3EO03**

Sustainable investment objective

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



Sustainability indicators measure how the sustainable objectives of this financial product are attained.

Does this financial product have a sustainable investment objective?	
<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="radio"/> Yes	<input checked="" type="radio"/> <input type="radio"/> <input type="radio"/> No
<input checked="" type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: 90%	<input type="checkbox"/> It promotes Environmental/Social (E/S) characteristics and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ____% of sustainable investments
<input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
<input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	<input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
<input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ____%	<input type="checkbox"/> with a social objective
	<input type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments

What is the sustainable investment objective of this financial product?

The sustainable investment objective of this Fund is to invest in a portfolio of fixed income securities that, as far as possible and practicable, consists of the component securities of the Bloomberg MSCI Global Green Bond Index, this Fund's Benchmark Index. The Fund seeks to achieve its sustainable investment objective by tracking its Benchmark Index which comprises multi-currency fixed income securities classified as "green bonds" in accordance with the Benchmark Index.

The index provider defines green bonds as fixed income securities the proceeds of which are exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes.

To be classified as a green bond for the purposes of the Benchmark Index and qualify as providing a direct environmental benefit, a bond's proceeds must fund projects that fall within one or more qualifying environmental categories including, but not limited to, alternative energy, energy efficiency, pollution prevention and control, sustainable water, green building and climate adaptation. General purpose bonds are also eligible for inclusion in the Benchmark Index if 90% of the issuer's activities (as measured by revenues) fall within one or more of the qualifying environmental categories.

The Benchmark Index also excludes issuers based on their involvement in certain activities deemed to have negative environmental or social outcomes. Issuers are excluded from the Benchmark Index based on their involvement in the following business lines/activities (or related activities):

- cluster munitions
- landmines
- depleted uranium

- biological/chemical weapons
- blinding lasers
- non-detectable fragments
- white phosphorous
- incendiary weapons
- thermal coal

The index provider defines what constitutes “involvement” in each restricted activity. This may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Benchmark Index also excludes issuers deemed to be involved in very severe ESG related controversies with a ‘red’ MSCI ESG controversy flag (based on an MSCI controversy score). An MSCI controversy score measures an issuer’s involvement (or alleged involvement) in serious controversies based on an assessment of an issuer’s operations and/or products which are deemed to have a negative ESG impact. An MSCI controversy score may consider involvement in adverse impact activities in relation to environmental issues such as biodiversity and land use, energy and climate change, water stress, toxic emissions and waste issues. An MSCI controversy score may also consider involvement in adverse impact activities in relation to social issues such as human rights, labour management relations, discrimination and workforce diversity.

For more information on where details of the methodology of the Benchmark Index can be found see Where can the methodology used for the calculation of the designated index be found? (below).

● ***What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?***

The following sustainability indicators form part of the ESG selection criteria of the Benchmark Index tracked by the Fund:

1. The Fund’s holdings in bonds classified as “green bonds” as described above (see What is the sustainable investment objective of this financial product?).
2. The exclusion of issuers involved in certain activities deemed to have negative environmental and/or social outcomes as described above (see What is the sustainable investment objective of this financial product?).
3. The exclusion of issuers involved in very severe ESG related controversies as described above (see What is the sustainable investment objective of this financial product?).
4. The consideration of the principal adverse impacts on sustainability factors as described below (see Does this financial product consider principal adverse impacts on sustainability factors?).

The classification of bonds as green bonds and the application of the ESG exclusionary criteria of the Benchmark Index, is applied by the index provider at each index rebalance. At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is also rebalanced in line with its Benchmark Index.

● ***How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?***

The Benchmark Index selects green bonds based on an assessment at an issuance level of the proceeds of the bonds which must be exclusively and formally applied to projects or activities that promote climate or other environmental sustainability purposes. In addition, the Fund’s Benchmark Index incorporates certain minimum safeguards and eligibility exclusions in the selection of green bonds to avoid exposure to bonds where the proceeds are associated with activities deemed to have highly negative environmental and societal impacts.

By tracking the Benchmark Index which incorporates the criteria for selecting green bonds, the Investment Manager has determined that, at each index rebalance (or as soon as soon as reasonably possible and practicable thereafter), the Fund’s

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

investments in bonds classified as green bonds by the index provider, will not cause significant harm to any environmental or social sustainable objective within the meaning of applicable law and regulation.

Where any of the Fund's investments cease to meet the above selection criteria, the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

— How have the indicators for adverse impacts on sustainability factors been taken into account?

The mandatory indicators for adverse impacts on sustainability factors (as set out in the Regulatory Technical Standards (RTS) under the SFDR) are considered at each index rebalance through the assessment of the Fund's investments qualifying as sustainable investments (as described below).

The indicators for adverse impacts on sustainability factors are taken into account at each index rebalance and are assessed at the issuance level by the index provider based on an assessment of the use of proceeds of the bonds which must be formally and exclusively applied to promote climate or other environmental sustainability purposes. In addition, minimum safeguards and eligibility exclusions are applied by the index provider in the selection of green bonds to ensure the proceeds of the bonds are not applied to activities with highly negative environmental and social outcomes. This includes through the minimum safeguards and eligibility exclusions of bonds with the use of proceeds linked to thermal coal extraction and power generation, significant biodiversity loss and controversial weapons.

At each index rebalance, the Benchmark Index also excludes issuers with a "red" MSCI ESG controversy flag which have been determined to be: (1) in violation of international and/or national standards (taking into account indicators relating to violations of United Nations Global Compact principles and OECD Guidelines for Multinational Enterprises), and (2) involved in very severe ESG related controversies taking into account indicators relating to greenhouse gas emissions, biodiversity, water, waste and social and employee matters.

— How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The Fund's Benchmark Index excludes issuers with a "red" ESG controversy flag which excludes issuers which have been determined by the index provider to be in violation of the UN Guiding Principles on Business and Human Rights and OECD Guidelines for Multinational Enterprises. The Benchmark Index applies the above exclusionary criteria at each index rebalance.



Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes

☐ No

Yes, the Fund takes into consideration principal adverse impacts on sustainability factors as outlined in the question above (see How have the indicators for adverse impacts on sustainability factors been taken into account?).

The Fund's annual report will include information on the principal adverse impacts on sustainability factors.



What investment strategy does this financial product follow?

The investment policy of the Fund is to invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby qualify as green bonds (as determined by the index provider) and comply

with the ESG characteristics of its Benchmark Index. The index methodology of its Benchmark Index is described above (see What is the sustainable investment objective of this financial product?).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to invest in green bonds (as determined by the index provider) and comply with the ESG requirements of its Benchmark Index. In the event that any investments cease to comply (including where any bonds cease to qualify as green bonds), the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The Fund may use optimisation techniques in order to achieve a similar return to the Benchmark Index which means that it is permitted to invest in securities that are not underlying constituents of the Benchmark Index where such securities provide similar performance (with matching risk profile) to certain securities that make up the Benchmark Index. If the Fund does so, its investment strategy is to invest in securities in the Benchmark Index or in securities that meet the ESG requirements of the Benchmark Index at the time of purchase. If such securities cease to comply with the ESG requirements of the Benchmark Index, the Fund may hold such securities until the next index rebalance of the Benchmark Index and when it is possible and practicable (in the Investment Manager's view) to liquidate the position.

The strategy is implemented at each portfolio rebalance of the Fund (or as soon as reasonably possible and practicable thereafter), which follows the index rebalance of its Benchmark Index.

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

● ***What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?***

The binding elements of the investment strategy are that the Fund will invest in a portfolio of fixed income securities that as far as possible and practicable consists of the component securities of the Benchmark Index and thereby qualify as green bonds (as determined by the index provider) and comply with the ESG characteristics of its Benchmark Index.

As the Fund is able to use optimisation techniques and may invest in securities that are not underlying constituents of the Benchmark Index, where it does so, its investment strategy is to invest only in securities in the Benchmark Index or in securities that meet the ESG requirements of the Benchmark Index at the time of purchase.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index (including where bonds cease to qualify as green bonds), the Fund may continue to hold such investments only until such time as the relevant securities cease to form part of the Benchmark Index and/or it is possible and practicable (in the Investment Manager's view) to liquidate the position.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

● ***What is the policy to assess good governance practices of the investee companies?***

Good governance checks are incorporated within the methodology of the Benchmark Index.

At each index rebalance, the index provider excludes issuers from the Benchmark Index based on an ESG controversy score (which measures an issuers' involvement in ESG related controversies) which includes the exclusion of issuers that are classified as violating United Nations Global Compact principles (see What is the sustainable investment objective of this financial product? above). Issuers that cannot be assessed for an ESG controversy score due to a lack of available data are also excluded from the Benchmark Index.



What is the asset allocation and the minimum share of sustainable investments?

Asset allocation describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:

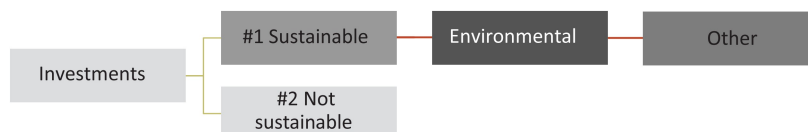
- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The Fund seeks to invest in a portfolio of securities that as far as possible and practicable consists of the component securities of the Benchmark Index.

It is expected that at least 90% of the Fund's assets will be invested in either securities within the Benchmark Index or in securities that meet the ESG selection criteria of the Benchmark Index. As such, at each index rebalance (or as soon as reasonably possible and practicable thereafter), the Investment Manager has determined that at least 90% of the Fund's assets will be invested in investments which qualify as sustainable.

In the event that any investments cease to comply with the ESG requirements of the Benchmark Index (including where any investments cease to qualify as sustainable) the Fund may continue to hold such investments until such time as the relevant securities cease to form part of the Benchmark Index (or otherwise cease to meet the ESG selection criteria of the Benchmark Index) and it is possible and practicable (in the Investment Manager's view) to liquidate the position. As a result, the Fund may hold less than 90% of its assets in investments qualifying as sustainable in between index rebalances.

The Fund may invest up to 10% of its assets in other investments ("#2 Other").



● How does the use of derivatives attain the sustainable investment objective?

The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the sustainable investment objective. Where the Fund uses derivatives to attain the sustainable investment objective, any ESG rating or analyses referenced above will apply to the underlying investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Fund does not currently commit to investing more than 0% of its assets in sustainable investments with an environmental objective aligned with the EU Taxonomy.

- **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

☐ Yes

☐ In fossil gas

☐ In nuclear energy

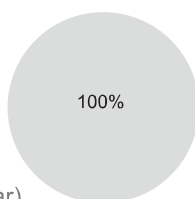
☒ No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy.

The two graphs below show the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.*

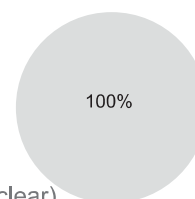
1. Taxonomy-alignment of investments including sovereign bonds*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned: (no fossil gas & nuclear)
- Non Taxonomy-aligned



2. Taxonomy-alignment of investments excluding sovereign bonds*

- Taxonomy-aligned: Fossil gas
- Taxonomy-aligned: Nuclear
- Taxonomy-aligned: (no fossil gas & nuclear)
- Non Taxonomy-aligned



**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures*

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objectives – see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

● **What is the minimum share of investments in transitional and enabling activities?**

This Fund does not currently commit to investing more than 0% of its assets in investments in transitional and enabling activities within the meaning of the Taxonomy Regulation.

are environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

A minimum of 90% of the Fund's assets will be invested in sustainable investments. These sustainable investments will be sustainable investments with an environmental objective that is not committed to align with the EU Taxonomy. The assessment of the Fund's investments qualifying as sustainable is determined on or around each index rebalance, where the Fund's portfolio is rebalanced in line with its Benchmark Index.



What is the minimum share of sustainable investments with a social objective?

This Fund does not currently commit to investing more than 0% of its assets in socially sustainable investments.



What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?

Other holdings may include cash, money market funds and derivatives. Such investments may only be used for the purpose of efficient portfolio management, except for derivatives used for currency hedging for any currency hedged share class.

Any ESG rating or analyses applied by the index provider will apply only to the derivatives relating to individual issuers used by the Fund.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Yes, this Fund seeks to achieve the sustainable investment objective by tracking the performance of the Bloomberg MSCI Global Green Bond Index, its Benchmark Index, which seeks to select bonds classified as green bonds and applies the additional ESG exclusionary criteria in accordance with its methodology.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

● **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

At each index rebalance, the Benchmark Index seeks to select bonds classified as green bonds and applies the additional ESG exclusionary criteria in accordance with its methodology.

● **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

At each index rebalance (or as soon as possible and practicable thereafter), the portfolio of the Fund is rebalanced in line with its Benchmark Index.

● **How does the designated index differ from a relevant broad market index?**

As a result of the application of the ESG selection criteria of the Benchmark Index, the portfolio of the Fund is expected to be reduced compared to the Bloomberg Global Aggregate Bond Index, a broad market index comprised of fixed income securities.

● ***Where can the methodology used for the calculation of the designated index be found?***

Further details regarding the Benchmark Index are found by copying and pasting the following link into your web browser: <https://www.bloomberg.com/professional/product/indices/bloomberg-fixed-income-indices/#/ucits>



Where can I find more product specific information online?

For further details specific to this Fund, please refer to the sections of this prospectus entitled 'Investment Objective' and 'Investment Policy', 'SFDR' and also the product page for the Fund, which can be found by typing the name of the Fund into the search bar on the iShares website: www.iShares.com