

**Pre-contractual disclosure for the financial products referred to in
Article 8 paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6,
first paragraph, of Regulation (EU) 2020/852**

**Product name: iShares \$ Development Bank Bonds UCITS ETF
Legal entity identifier: 549300SUESHY160OHW65**

Environmental and/or social characteristics

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 lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Does this financial product have a sustainable investment objective?	
<p><input checked="" type="radio"/> <input checked="" type="radio"/> <input type="checkbox"/> Yes</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with an environmental objective: ___%</p> <p><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> It will make a minimum of sustainable investments with a social objective: ___%</p>	<p><input checked="" type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> No</p> <p><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</p> <p><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</p> <p><input type="checkbox"/> with a social objective</p> <p><input checked="" type="checkbox"/> It promotes E/S characteristics, but will not make any sustainable investments</p>



What environmental and/or social characteristics are promoted by this financial product?

The Fund is passively managed and seeks to promote the following environmental and social characteristics by tracking the performance of the FTSE World Broad Investment-Grade USD Multilateral Development Bank Bond Capped Index, its Benchmark Index:

1. exposure to bonds where the issuer aims to foster economic and social progress by making finance available to sustainable projects; and
2. exclusion of issuers deemed to have violated United Nations Global Compact principles.

These environmental and social characteristics are incorporated through the selection of constituents in the Fund's Benchmark Index (as described below).

The Benchmark Index measures the performance of a sub-set of global US Dollar denominated, fixed-rate, investment grade multilateral development bank debt in the FTSE World Broad Investment-Grade Bond Index (the "Parent Index"). Multilateral development banks are supranational institutions set up by sovereign states. The multilateral development banks' aim is to foster economic and social progress mostly in developing countries by making finance available for sustainable projects.

The Benchmark Index also excludes issuers from the Parent Index which are classified as violating or are at risk of violating commonly accepted international norms and standards, enshrined in the United Nations Global Compact (UNGC) Principles and its underlying conventions.

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.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

● **What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?**

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

1. The exposure to bonds where the issuer aims to foster economic and social progress by making finance available to sustainable projects as described above (see What environmental and/or social characteristics are promoted by this financial product?).
2. The exclusion of companies classified as violating United Nations Global Compact principles by the Benchmark Index as described above (see What environmental and/or social characteristics are promoted by this financial product?).
3. The consideration of the principal adverse impacts on sustainability factors as identified in the table below (see Does this financial product consider principal adverse impacts on sustainability factors?).

The ESG selection 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. Where the Fund's portfolio ceases to meet any of these characteristics in between index rebalances, the Fund's portfolio will be re-aligned at the next index rebalance (or as soon as possible and practicable thereafter) in accordance with the Benchmark Index.

● **What are the objectives of the sustainable investments that the financial product partially intends to make and how does the sustainable investment contribute to such objectives?**

This Fund does not commit to investing in sustainable investments.



● **How do the sustainable investments that the financial product partially intends to make, not cause significant harm to any environmental or social sustainable investment objective?**

Not applicable as the Fund does not commit to investing in sustainable investments.

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

Not applicable as the Fund does not invest in sustainable investments.

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

Not applicable as the Fund does not commit to investing in sustainable investments.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.


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 by tracking the Benchmark Index which incorporates certain ESG criteria in the selection of index constituents. The Investment Manager has determined that those principal adverse impacts (PAIs) marked as "X" in the table below are considered as part of the selection criteria of the Fund's Benchmark Index at each index rebalance.

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

	FAI Description	Benchmark Index Selection Criteria
		Exclusion of Issuers classified as violating United Nations Global Compact principles
Greenhouse Gas (GHG) emissions	1. (a) GHG emissions (Scope 1/2)	
	1. (b) GHG emissions (Scope 3)	
	2. Carbon footprint	
	3. GHG intensity	
	4. % in Fossil Fuels	
	5. Non-Renewable / Renewable %	
	6. High impact sector energy consumption	
Biodiversity	7. Negative impact to Biodiversity sensitive areas	
Water	8. Emissions to Water	
Waste	9. Hazardous Waste	
Social and employee matters	10. UNGC+OECD Violations	X
	11. UNGC+OECD Process, Monitoring	
	12. Unadjusted gender pay gap	
	13. Board gender diversity	
	14. Controversial weapons	

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

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 comply with the ESG characteristics of its Benchmark Index. The index methodology of its Benchmark Index is described above (see What environmental and/or social characteristics are promoted by this financial product? above).

By investing in the constituents of its Benchmark Index, the Fund's investment strategy enables it to comply with the ESG requirements of its Benchmark Index as determined by the index provider. In the event that any investments cease to comply, 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 only in Issuers in the Benchmark Index or in Issuers 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 only until the next portfolio rebalance 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, which follows the index rebalance of its Benchmark Index.

Governance Processes

The Investment Manager carries out due diligence on the index providers and engages with them on an ongoing basis with regard to index methodologies including their assessment of

good governance criteria set out by the SFDR which include sound management structures, employee relations, remuneration of staff and tax compliance at the level of investee companies.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

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 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 issuers in the Benchmark Index or in issuers 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, 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.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?***

There is no committed minimum rate to reduce the scope of the Fund's investments.

The Fund's Benchmark Index seeks to reduce the number of constituents from the Parent Index through the application of the ESG selection criteria. However, there is no minimum rate of reduction applied or targeted by the index provider in the selection of constituents for the Benchmark Index.

The rate of reduction may vary over time depending on the issuers that make up the Parent Index. For example, if issuers in the Parent Index engage in fewer activities that are excluded from the Parent Index based on the ESG selection criteria applied by the Benchmark Index, the rate of reduction may reduce over time. Conversely, if the index provider increases the ESG selection criteria in the Benchmark Index as ESG standards evolve, the rate of reduction may increase over time.

- ***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. The index provider excludes issuers from the Benchmark Index at each index rebalance that are classified as violating United Nations Global Compact principles (see What environmental and/or social characteristics are promoted by this financial product? above).

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



What is the asset allocation planned for this financial product?

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.

Asset allocation describes the share of investments in specific assets.

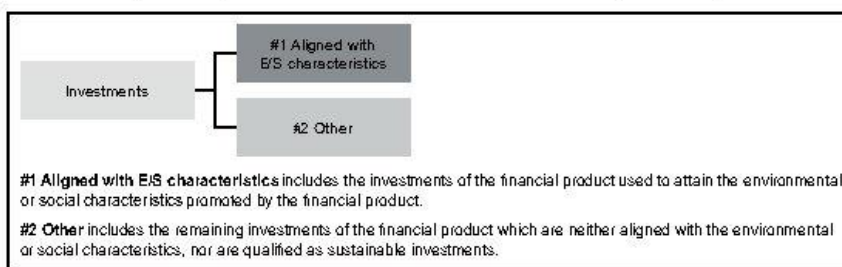
Taxonomy-aligned activities are expressed as a share of:

- turnover reflecting the share of revenue from green activities of investee companies

It is expected that at least 80% 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 portfolio of the Fund will be rebalanced in line with its Benchmark Index so that at least 80% of the Fund's assets will be aligned with the ESG characteristics of the Benchmark Index (as determined at that rebalance). In the event that any investments cease to comply with the ESG requirements of the Benchmark Index, 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.

SCHEDULE VII

The Fund may invest up to 20% of its assets in other investments ("#2 Other").



● ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

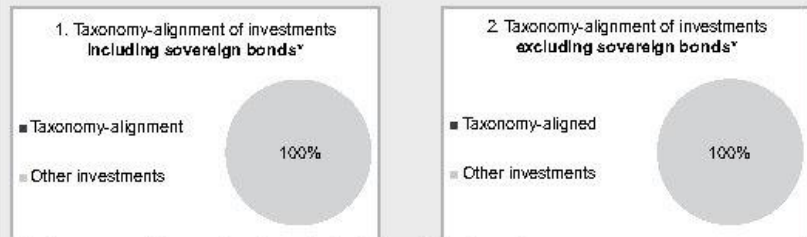
The Fund may use derivatives for investment purposes and for the purposes of efficient portfolio management in connection with the environmental or social characteristics promoted by the Fund. Where the Fund uses derivatives for promoting environmental or social characteristics, any ESG rating or analyses referenced above will apply to the underlying investment.



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

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

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.*



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

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.



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

● **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.



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

Not applicable as the Fund does not commit to investing in sustainable investments with an environmental objective.



● **What is the minimum share of socially sustainable investments?**

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



● **What investments are included under “#2 Other”, 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. Derivatives based on financial indices, interest rates, or foreign exchange instruments will not be considered against minimum environmental or social safeguards.



Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

● **Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?**

Yes, this Fund seeks to achieve the environmental and social characteristics it promotes by tracking the performance of the FTSE World Broad Investment-Grade USD Multilateral Development Bank Bond Capped Index, its Benchmark Index, which incorporates the index provider's ESG selection criteria.

● **How is the reference benchmark continuously aligned with each of the environmental or social characteristics promoted by the financial product?**

At each index rebalance, the index provider applies the ESG selection criteria to the Parent Index to exclude issuers that do not meet such ESG selection criteria.

● **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 reasonably possible and practicable thereafter), the portfolio of the Fund is also 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 FTSE World Broad Investment-Grade 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?**

SCHEDULE VII

The methodology of the Fund's Benchmark Index can be found by copying and pasting the following link into your web browser:

https://research.ftserussell.com/products/downloads/FTSE_World_Broad_Investment-Grade_USD_Multilateral_Development_Bank_Bond_Capped_Index_CFIUMDB_Ground_Rules.pdf

Further details of the Fund's Benchmark Index (including its constituents) are also available on the index provider's website at: <http://www.yieldbook.com/m/indices/search.shtml>.



Where can I find more product specific information online?

More product-specific information can be found on the website:

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