**Objectives and Investment Policy**

- The Share Class is a share class of a Fund which aims to achieve a return on your investment, through a combination of capital growth and income on the Fund’s assets, which reflects the performance of the FTSE Actuaries UK Conventional Gilts All Stocks Index, the Fund’s benchmark index (Index).
- The Share Class, via the Fund is passively managed and aims to invest so far as possible and practicable in the fixed income (FI) securities (such as bonds) that make up the Index and comply with its credit rating requirements. If the credit ratings of the FI securities are downgraded, the Fund may continue to hold them until they cease to form part of the Index and it is practicable to sell them.
- The Index measures the performance of the United Kingdom (UK) Government gilt market (i.e. UK Government bond market) with a diversified spread of maturity dates (i.e. repayment dates) and coupon (i.e. interest) payments. The bonds will be denominated in Sterling, and coupons and principal paid in Sterling. The bonds will, at the time of inclusion in the Index, be investment grade (i.e. meet a specified level of creditworthiness) so long as the UK maintains its investment grade credit rating.
- The Fund uses optimising techniques to achieve a similar return to its Index. These may include the strategic selection of certain securities that make up the Index or other FI securities which provide similar performance to certain constituent securities. These may also include the use of financial derivative instruments (FDIs) (i.e. investments the prices of which are based on one or more underlying assets). FDIs may be used for direct investment purposes. The use of FDIs is expected to be limited for this Share Class.
- The Fund may also engage in short-term secured lending of its investments to certain eligible third parties to generate additional income to off-set the costs of the Fund.
- Recommendation: This Fund is suitable for medium to long term investment, though the Fund may also be suitable for shorter term exposure to the Index.
- Your shares will be distributing shares (i.e. income will be paid on the shares semi-annually).
- Your shares will be denominated in Sterling, the Fund’s base currency.
- The shares are listed on one or more stock exchanges and may be traded in currencies other than their base currency. The performance of your shares may be affected by this currency difference. In normal circumstances, only authorised participants (e.g. select financial institutions) may deal in shares (or interests in shares) directly with the Fund. Other investors can deal in shares (or interests in shares) daily through an intermediary on stock exchange(s) on which the shares are traded.

For more information on the Fund, Share Class, risks and charges, please see the Fund’s prospectus, available on the product pages at www.blackrock.com

**Risk and Reward Profile**

- Credit risk, changes to interest rates and/or issuer defaults will have a significant impact on the performance of fixed income securities. Potential or actual credit rating downgrades may increase the level of risk.
- Particular risks not adequately captured by the risk indicator include:
  - Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Share Class to financial loss.
  - Credit Risk: The issuer of a financial asset held within the Fund may not pay income or repay capital to the Fund when due.
  - Liquidity Risk: Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.

This indicator is based on historical data and may not be a reliable indication of the future risk profile of this Share Class.

The risk category shown is not guaranteed and may change over time.

The lowest category does not mean risk free.

The Share Class is rated four due to the nature of its investments which include the risks listed below. These factors may impact the value of the Share Class or expose the Share Class to losses.
Charges

The charges are used to pay the costs of running the Share Class, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

*Not applicable to secondary market investors. Investors dealing on a stock exchange will pay fees charged by their stock brokers. Such charges are publicly available on exchanges on which the shares are listed and traded, or can be obtained from stock brokers.

*Authorised participants dealing directly with the Fund will pay related transaction costs including, on redemptions, any applicable capital gains tax (CGT) and other taxes on underlying securities.

The ongoing charges figure is based on the fixed annualised fee charged to the Share Class in accordance with the Fund’s prospectus. This figure excludes portfolio trade related costs, except costs paid to the depositary and any entry/exit charge paid to an underlying collective investment scheme (if any).

Past Performance

Past performance is not a guide to future performance. The chart shows the Share Class’s annual performance in GBP for each full calendar year over the period displayed in the chart. It is expressed as a percentage change of the Share Class’s net asset value at each year-end. The Fund was launched in 2006. The Share Class was launched in 2006. Performance is shown after deduction of ongoing charges. Any entry/exit charges are excluded from the calculation.

† Benchmark: FTSE Actuaries UK Conventional Gilts All Stocks Index (GBP)

Historic performance to 31 December 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Fund</th>
<th>Benchmark†</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>7.0</td>
<td>7.2</td>
</tr>
<tr>
<td>2011</td>
<td>15.3</td>
<td>15.6</td>
</tr>
<tr>
<td>2012</td>
<td>2.5</td>
<td>2.7</td>
</tr>
<tr>
<td>2013</td>
<td>-4.1</td>
<td>-3.9</td>
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<tr>
<td>2014</td>
<td>13.7</td>
<td>13.9</td>
</tr>
<tr>
<td>2015</td>
<td>0.4</td>
<td>0.6</td>
</tr>
<tr>
<td>2016</td>
<td>10.0</td>
<td>10.1</td>
</tr>
<tr>
<td>2017</td>
<td>1.7</td>
<td>1.8</td>
</tr>
<tr>
<td>2018</td>
<td>0.4</td>
<td>0.6</td>
</tr>
<tr>
<td>2019</td>
<td>6.8</td>
<td>6.9</td>
</tr>
</tbody>
</table>

Practical Information

The depositary of the Fund is State Street Custodial Services (Ireland) Limited.

Further information about the Fund and the Share Class can be obtained from the latest annual report and half-yearly reports of iShares II plc. These documents are available free of charge in English and certain other languages. These can be found, along with other information, such as details of the key underlying investments of the Share Class and share prices, on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser.

Investors should note that the tax legislation that applies to the Fund and Share Class may have an impact on the personal tax position of your investment.

The Fund is a sub-fund of iShares II plc, an umbrella structure comprising different sub-funds. The Fund has one or more share classes. This document is specific to the Share Class and share prices, on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser.

Further information about the Fund and the Share Class can be obtained from the latest annual report and half-yearly reports of iShares II plc. These documents are available free of charge in English and certain other languages. These can be found, along with other information, such as details of the key underlying investments of the Share Class and share prices, on the iShares website at www.ishares.com or by calling +44 (0)845 357 7000 or from your broker or financial adviser.

The Fund undertakes securities lending to reduce costs. The Fund will receive 62.5% of the associated revenue generated and the remaining 37.5% will be received by BlackRock as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Fund, this has been excluded from the ongoing charges.

Entry Charge

None*

Exit Charge

None*

This is the maximum that might be taken out of your money before it is invested or before proceeds of your investments are paid out.

Charges taken from the Share Class over each year

Ongoing Charges

0.07%**

None*

** To the extent the Fund undertakes securities lending to reduce costs, the Fund will receive 62.5% of the associated revenue generated and the remaining 37.5% will be received by BlackRock as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Fund, this has been excluded from the ongoing charges.

Performance Fee

None