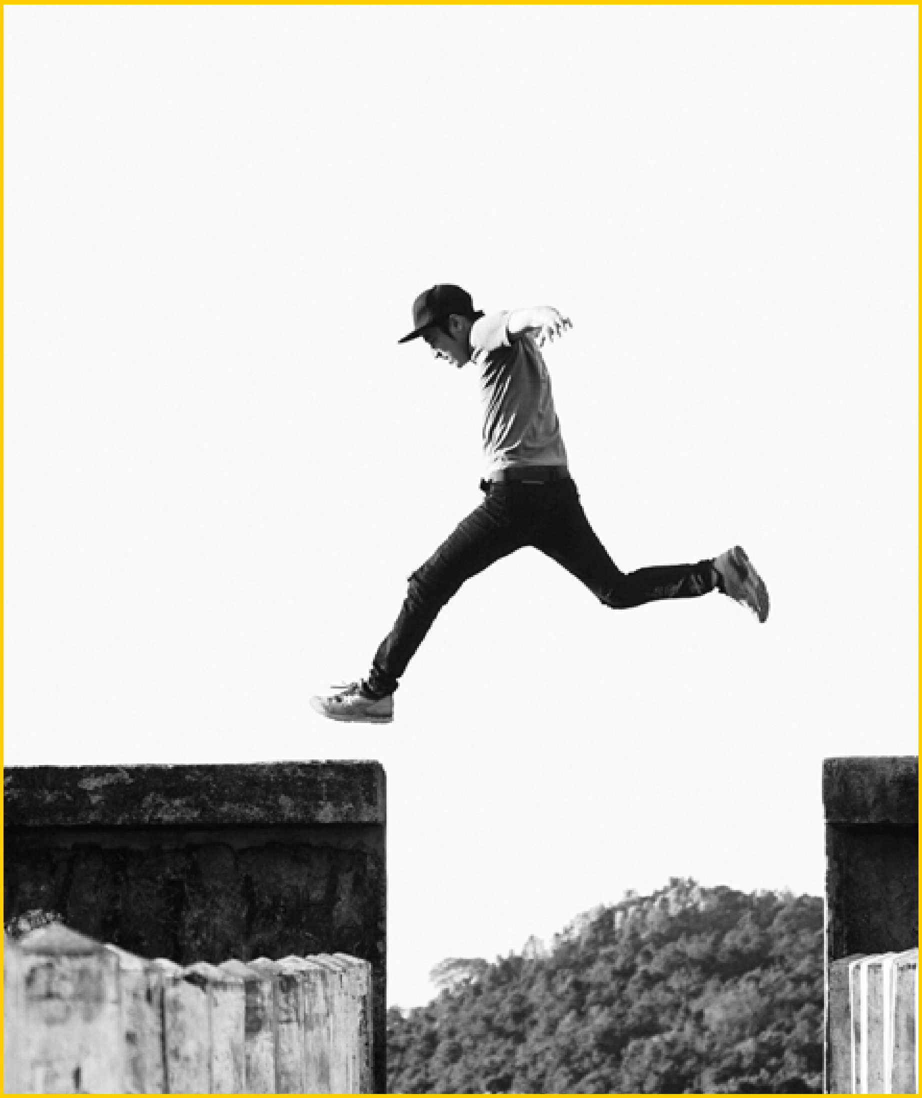
RETIRE ON YOUR TERMS

iShares® LifePath® Target Date ETFs



iShares by BlackRock

FOREWORD

Every day, we are all working towards our retirement. But a divide is emerging among workers and how they're able to prepare. This divergence is one we at BlackRock are passionate about addressing.

The onus of saving for retirement has shifted from employers to individuals, as 401(k)s replace pensions. But because 401(k)s are a workplace benefit, having one isn't guaranteed.

Workers whose employers offer 401(k)s benefit from the implicit guidance they provide. In many cases, their contributions are automatically routed to a target date fund[1] – a time-tested retirement savings solution vetted by their employer – that makes it simple to invest strategically by automatically adjusting for risk over time.

But workers without corporate plan access – typically the self-employed, gig workers, and those at smaller employers – are often on their own to find retirement products, invest, and adjust their portfolio over time. And with 57 million Americans[2] lacking access to a workplace plan, this is creating a significant barrier to a secure retirement for a sizable population.

It's no surprise independent savers are losing confidence in their retirement preparedness, according to a recent BlackRock survey.[3] Some 40% of independent savers told us they feel off-track about their retirement, a 23% increase from the prior year. By contrast, just one-fourth of workplace savers say they lack confidence.

Independent savers told us they need access to simple products and professional advice. The majority expressed explicit interest in professionally managed solutions that automate asset allocation based on age.

1 Cerulli, U.S. Defined Contribution Distribution, 2022.

2 Center for Retirement Research at Boston College, 2020.

3 The BlackRock Read on Retirement™ survey provides insights from a research study of large defined contribution plan sponsors, workplace savers, independent savers and retirees in the U.S. executed by Escalent, Inc., an independent research company. All respondents were interviewed using an online survey fielded March 21-May 24, 2023. BlackRock.com/ReadonRetirement.

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We’re listening. And that’s why we have launched iShares® LifePath® Target Date ETFs. It is our hope that these funds will help millions of independent savers prepare for retirement – as well as those looking to complement existing retirement investments.

The funds are a simple, professionally managed solution, with asset allocations that change over time to seek to deliver the right risk at the right time—all in a single ticker. And because they’re an ETF (cutting in + wrapper), they’re affordable and transparent.

At BlackRock, we are committed to helping more and more people experience financial well-being. It has been 30 years since we pioneered target date funds and we’re in our third decade of democratizing market access through our ETF and index investing business.[4]

We recognize that this is only part of the solution and we commend the industry-wide work that has already been done to get more people access to retirement plans – from state-facilitated retirement savings programs to public policy advances and tech-enabled solutions that help small employers create plans.

Retirement looks different these days for many reasons beyond people’s control. We’re dedicated to doing more to help millions of savers, like you, who need an easy way to invest for retirement because choosing where and how to invest is within your control.

We are proud to offer products to more people who need them, and we promise to keep innovating to help you retire on your terms.

4 The first LifePath target date funds launched in 1993 and the first iShares ETFs (formally WEBS) launched in 1996.

TARGET DATE ETFs

Why one decision today can lead to a better retirement tomorrow

Ask a dozen people what they want their retirement to look like and you'll get a dozen answers: family, travel, nature, hobbies, intellectual pursuits.

But ask those same people how they want to feel when they begin retirement, and you'll likely get the same answer: prepared.

Of course, getting there isn't always easy or straightforward – especially if you're one of the 57 million American workers who lack access to a workplace retirement plan like a 401(k).

Figuring out what to invest in on your own is complicated. Factor in additional challenges like how to navigate inflation or market volatility, and it can be overwhelming.

That's according to BlackRock's latest Read on Retirement™ survey, which looks at these independent savers.

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INDEPENDENT SAVERS

If you lack access to a workplace plan and you're investing on your own for retirement, chances are you feel less prepared and less confident, our survey shows.

One reason why: The median retirement/investment account balance for independent savers is **28% less than that of workplace savers.**

Please provide us the exact balance across your retirement/ investment accounts?	Total	Gen Z	Boomers
Independent savers – median	$68,000	$25,000	$175,000
Workplace savers - median	$94,000	$45,726	$200,000

Source: BlackRock Read on Retirement executed by Escalent, Inc., an independent research company. All respondents were interviewed using an online survey fielded March 21-May 24, 2023. BlackRock.com/ReadonRetirement

With savings gaps like these, it's not surprising that nearly 40% of independent savers feel off-track for retirement – at a rate far higher than workplace savers, where just 24% feel off-track.

When we dug deeper, we discovered that these independent savers lacked more than just confidence – they lacked some important tools:

Lack of guidance
Independent savers said they're trying to figure out what to invest in themselves – a DIY approach: 38% are building their own portfolios using individual securities, 50% are using mutual funds, and 47% are leaning on cash.

Lack of engagement
Over half of independent savers (55%) say they have never changed their mix of investments and 80% say they plan to wait until they get closer to retirement to begin engaging with their accounts more frequently.

If you're an independent saver, what would make you feel more confident? We asked and the answers were clear:

Confidence boost
Nearly half (45%) say access to professional management would help them feel on track for retirement.

Managed investments
71% said they are interested in professionally managed solutions that automate asset allocation based on age (target date funds).

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A SIMPLE SOLUTION

iShares LifePath Target Date ETFs

Savers are telling us they want to invest in professionally managed products that take changing asset allocations off your to-do-list. You want a simple solution that you don't have to think a lot about.

That's why we created iShares LifePath Target Date ETFs.

These funds can help make retirement investing easier, more affordable, and more accessible for savers of all ages. Select the fund closest to your target retirement date (what we call your "vintage"), and contribute regularly. As you near the target date, the fund is designed to roll into a retirement vintage, which seeks to enable investors to maintain consistent spending through their retirement.[5]

iShares LifePath Target Date ETFs are a powerful pairing of the target date investing strategy and ETF technology.

5 The amount available for retirement spending will depend on factors such as time, contribution amounts, and fund performance. An investment in a target date fund is not guaranteed, and an investor may experience losses, including near, at, or after the target date.

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TARGET DATE FUNDS

Easy, managed solutions

We know from 30 years of experience that our LifePath Target Date funds can help make retirement investing easier – by offering different ‘vintages’ that change asset allocation as savers get closer to retirement.

- **Strategic, simple:** With one decision to buy the fund, you get a product that is designed to provide diversification, automatic rebalancing, and risk management with none of the work.
- **Seek the right risk at the right time:** Target date funds are professionally managed to evolve a diversified portfolio of assets over time, taking on more risk early on and gradually becoming more conservative as the target retirement date approaches. This helps balance growing your investment while managing the appropriate level of risk.

ETFs

Low cost, accessible

We also know from three decades of experience that ETFs can help democratize market access by offering affordable, quality products to help all investors build a portfolio.

- **Low costs:** ETFs generally carry low expense ratios, are often commission free and tax efficient.[6] That can mean more money for you to put back into your accounts.
- **Easy access:** ETFs trade on stock exchanges, so they’re easily bought or sold.

6 ETFs are structured in a way that can help minimize the distributions investors get intermittently without selling, which can help investors control when to realize capital gains.

ONE DECISION

We believe the combination of target date investing and ETFs in the new iShares LifePath Target Date ETFs can help all investors prepare for retirement. These funds make it easy, whether you:

- Want to do more but don't have access to a workplace retirement plan.
- Are looking to bolster your planning by complementing an existing 401(k).
- Want to roll out of a 401(k) plan into an IRA with a familiar, time-tested strategy.

So where to start? Consider these next steps:

1. Go to your brokerage account or open one.
2. Select the iShares LifePath Target Date ETF that aligns with your "target retirement date."
3. Set up automatic deposits. And as you make more income, adjust your savings – not your spending – to grow your accounts even more.

Because you deserve to feel confident in your investments and to retire on your terms.

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. Diversification and asset allocation may not protect against market risk or loss of principal.

Each target date fund has a number (a target date) at the end of the name that designates an approximate year when an investor plans to start withdrawing their money. The asset allocation of the fund will become progressively more conservative as the specified target date approaches. An investment in the fund is not guaranteed, and an investor may experience losses, including near, at, or after the target date. Investment in a fund of funds is subject to the risks and expenses of the underlying funds.

Actively managed funds do not seek to replicate the performance of a specified index. Actively managed funds may have higher portfolio turnover than index funds.

The strategies discussed are strictly for illustrative and educational purposes and are not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. There is no guarantee that any strategies discussed will be effective. The information presented does not take into consideration commissions, tax implications, or other transactions costs, which may significantly affect the economic consequences of a given strategy or investment decision.

Transactions in shares of ETFs may result in brokerage commissions and may generate tax consequences. All regulated investment companies are obliged to distribute portfolio gains to shareholders.

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