

KEY INVESTOR INFORMATION

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

iShares \$ Development Bank Bonds UCITS ETF

A sub-fund of iShares III plc

EUR Hedged (Acc) Share Class

ISIN: IE00BMCZLH06

Exchange Traded Fund (ETF)

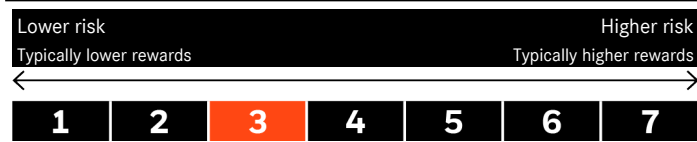
Manager: BlackRock Asset Management Ireland Limited

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 investments, which reflects the return of the FTSE World Broad Investment-Grade USD Multilateral Development Bank Bond Capped 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.
- ▶ The 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 whose aim is to foster economic and social progress mostly in developing countries by making finance available for sustainable projects. Only multilateral development banks with a mission statement that states the intent to promote sustainable economic development in developing countries by financially supporting their sustainable development goals or by providing non-financial support for infrastructure development such as policy advice or technical assistance, will be eligible for inclusion in the Index. The Parent Index provides a broad-based measure of the global FI markets and includes government, government-sponsored / supranational, collateralised, and corporate debt. The Parent Index seeks to provide a comprehensive representation of the global, investment grade debt universe.
- ▶ To be eligible for inclusion in the Index, multilateral development bank bonds must be issued by a multilateral development bank, the shareholders of which are (but are not limited to) all of the G7 country members and have a minimum amount outstanding of USD 500 million. They must also have at least one year until maturity and be rated investment grade by S&P (BBB- or higher) or, in the absence of an S&P rating, by Moody's (Baa3 or higher). When a bond is rated investment-grade by one rating agency and high-yield by the other, the S&P equivalent of the investment-grade credit quality rating is assigned to the bond. Zero coupon bonds are excluded from the Index.
- ▶ The Index uses a market-value weighted methodology with a cap on each issuer of 25%.
- ▶ The Fund's investment in FI securities that make up the Index will, at the time of purchase, comply with the credit rating requirements of the Index which is investment grade. Where securities no longer meet such requirements, the Fund may continue to hold them until they cease to form part of the Index and it is practicable to sell them.
- ▶ The Fund uses optimising techniques to achieve a similar return to the Index. These may include the strategic selection of certain securities that make up the Index and also 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 investment purposes.
- ▶ 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 accumulating shares (i.e. income will be included in their value).
- ▶ The Fund's base currency is US Dollar. Shares for this Share Class are denominated in Euro. The performance of your shares may be affected by this currency difference.
- ▶ Your shares will be "hedged" with the aim of reducing the effect of exchange rate fluctuations between their denominated currency and the Fund's underlying portfolio currencies. FDIs, including FX forward contracts, will be used for currency hedging purposes. The hedging strategy may not completely eliminate currency risk and, therefore, may affect the performance of your shares.
- ▶ 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. Indicative net asset value is published on relevant stock exchanges websites.

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



- ▶ The risk indicator was calculated incorporating simulated historical data and may not be a reliable indication of the future risk profile of the 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 three 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.
- 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.
 - Investment risk is concentrated in specific sectors, countries, currencies or companies. This means the Fund is more sensitive to any localised economic, market, political, sustainability-related or regulatory events.
 - ▶ 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.

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).

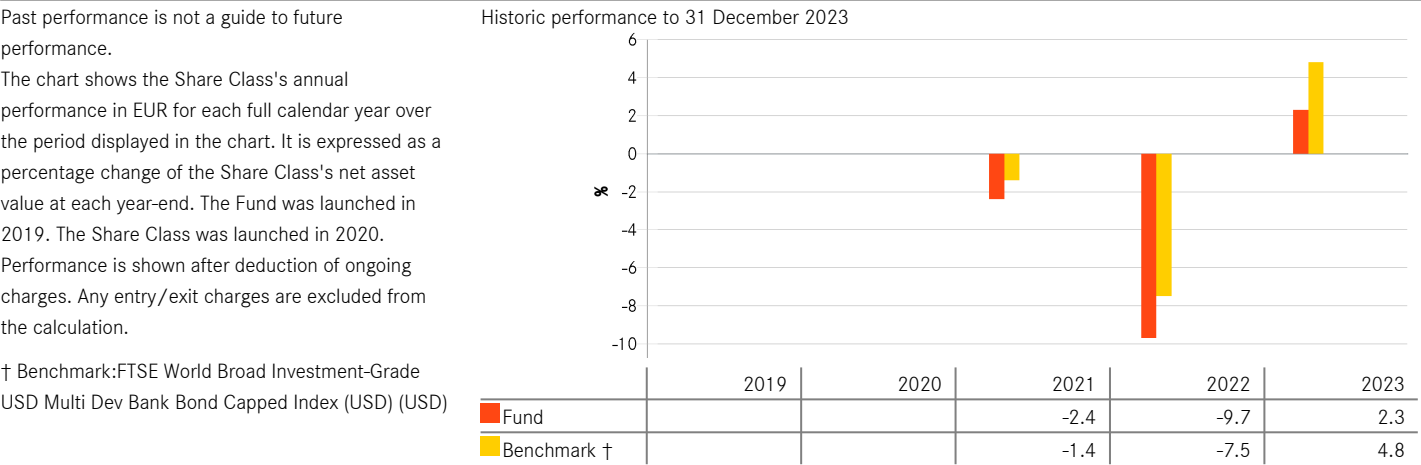
** To the extent the Fund undertakes securities lending to reduce costs, the Fund will receive 62.5% of the associated revenue generated and the remaining 37.5% will be received by BlackRock as the securities lending agent. As securities lending revenue sharing does not increase the costs of running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

One-off charges taken before or after you invest	
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	0.18%**
Charges taken from the Share Class under certain conditions	
Performance Fee	None

Past Performance



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 III 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 III plc, an umbrella structure comprising different sub-funds. The Fund has one or more share classes. This document is specific to the Fund and Share Class stated at the beginning of this document. However, the prospectus, annual and half-yearly reports are prepared for the umbrella.
- ▶ iShares III plc may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.
- ▶ The indicative intra-day net asset value of the Share Class is published on relevant stock exchanges websites.
- ▶ Under Irish law, iShares III plc has segregated liability between its sub-funds (i.e. the Fund's assets will not be used to discharge the liabilities of other sub-funds within iShares III plc). In addition, the Fund's assets are held separately from the assets of other sub-funds. Assets and liabilities specific to a share class would be attributable to only that share class, however there is no segregation of liabilities between share classes under Irish law.
- ▶ Switching of shares between the Fund and other sub-funds within iShares III plc is not available to investors. Only Authorised Participants dealing directly with the Fund may switch shares between share classes of the Fund subject to meeting certain conditions in the Fund's prospectus.
- ▶ The Remuneration Policy of the Management Company, which describes how remuneration and benefits are determined and awarded, and the associated governance arrangements, is available at www.blackrock.com/Remunerationpolicy or on request from the registered office of the Management Company.