

Target Income ETF Models

Model Portfolio Summary

Target Income ETF 4Q25

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MODEL OVERVIEW

Objective

Models designed to generate a target level of income with an eye on managing risk.

Benchmark

As of 7/1/2021, the benchmark is represented by the 98% Bloomberg U.S. Aggregate Index and 2% ICE BofAML US T-Bill 0-3 Month Index. Prior to 7/1/2021, the benchmark was represented by the Bloomberg U.S. Aggregate Index.

Trade Frequency

Dynamic (4-6x per year)

Underlying Investment Vehicle(s)

ETFs

INVESTMENT GUIDING PRINCIPLES



Your fixed income shouldn't be 'fixed'

Managing duration and credit risk



Exposure to targeted factors, styles, and sectors



Disciplined trading schedule

Ad-hoc flexibility



Moderate U.S. equity overweight

In benchmark



Seek to control active risk

Provide consistent outcomes



+/- 5% max deviation

For equities from benchmark

INVESTMENT PROCESS

Our approach to portfolio construction

01.

Start with a long-term strategy

Strategic asset allocation begins with a broad benchmark and tilts to rewarded sources of returns to reflect our long-term views

02.

Adapt to changing market conditions

Tactical asset allocation takes a disciplined approach to seek opportunities or downside protection based on short-term and medium-term investment views

03.

Investment vehicle selection

Select appropriate investment vehicles that are efficient, cost-effective, and accurately express targeted exposures across both active and passive vehicles to diversify sources of return

04.

Help protect the portfolio

Measure and monitor model portfolio risks using Aladdin Technology to better understand portfolio risk and manage investments within a risk budget of 300 bps.

TRADE RATIONALE

As of 1/15/26

Key Takeaways:

Increasing quality focus within corporate bond exposure, recognizing the combination of a relatively strong and supportive economic backdrop for credit risk coupled with historically tight spread levels across the asset class

Modestly reduce duration while increasing flexibility and diversification through actively managed strategies, specifically via dynamic credit and CLO strategies with the ability to navigate changing market conditions more rapidly

Trade Rationale:

We believe strong earnings fundamentals, a more accommodative Federal Reserve, and improved liquidity conditions are creating a supportive environment for risk assets. With inflation pressures finally easing and forecasts pointing to robust real GDP growth in early 2026, we feel that the macroeconomic backdrop justifies an upgrade to fixed income for the regime ahead, with an emphasis on the highest-conviction opportunities.

We remain overweight high-quality bonds and are being selective in our credit exposure, reflecting attractive starting yields and the limited benefit of taking on additional credit risk given tight spreads. We are shifting away from longer-duration investment grade bonds towards higher quality A-rated corporate credit and adding exposure to more diversified actively managed strategies. In particular, we are focused on adding to an active flexible income strategy that incorporates exposure to more securitized assets like non-agency residential and commercial mortgage-backed securities to seek enhanced yield and offer attractive incremental spread versus investment grade corporate bonds. In addition, recent rate cuts from the Fed combined with historically tight credit spreads have made floating rate corporate bonds less attractive and instead we favor AAA-rated, floating rate CLOs for higher yield potential.

Views are subject to change.

PERFORMANCE COMMENTARY

As of 12/31/25

PERFORMANCE

There was no Santa Claus rally finale to cap off an otherwise stellar bull market run in 2025. December ended on a muted note for U.S. equities, with markets largely unchanged as investors stepped back from the AI-driven trades that had powered much of the year. Market leadership broadened, with value and small cap stocks among the strongest performers during the holiday season. International developed and emerging market equities outpaced U.S. markets, capping a year of sustained relative strength. The Federal Reserve delivered its third quarter-point rate cut of the year, but visible disagreement among policymakers tempered the celebratory tone. Economic signals remained mixed but steady, as inflation continued to ease and holiday-season spending proved resilient. In fixed income, longer-term Treasury yields rose despite easier policy, resulting in modestly negative returns for government bonds and high-quality credit.

All models generated positive total returns and outperformed their benchmarks during the month. Exposure to broad high yield bonds and short-term investment grade credit were the top contributors to return across the higher risk models. While the more conservative risk profiles benefitted the most from shorter duration US treasuries and US treasury floating rate bonds. The main detractors across all risk profiles were longer duration US treasuries and investment grade credit as rates ticked higher.

Past performance does not guarantee future results. A basis point (bp) represents one hundredth of a percent.

Latest Holdings (%)

Allocation as of 1/15/26

	As of Date	Core	Moderate	High	Aggressive
Net Expense Ratio (%)	12/31/25	0.15	0.16	0.17	0.20
Gross Expense Ratio (%)	12/31/25	0.16	0.17	0.19	0.22
US Fixed Income		98.0	98.0	98.0	98.0
BINC	iShares Flexible Income Active ETF	5.0	7.0	10.0	13.0
CLOA	iShares AAA CLO Active ETF	9.0	9.0	9.0	9.0
FLOT	iShares Floating Rate Bond ETF	3.0	2.5	-	-
HYDB	iShares High Yield Systematic Bond ETF	-	1.0	3.0	6.0
IEF	iShares 7-10 Year Treasury Bond ETF	15.5	9.5	2.5	-
IEI	iShares 3-7 Year Treasury Bond ETF	1.5	1.0	-	-
IGEB	iShares Investment Grade Systematic Bond ETF	14.0	15.0	18.0	16.5
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	-	-	-	2.0
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	15.5	13.5	6.5	-
QLTA	iShares Aaa - A Rated Corporate Bond ETF	3.0	4.0	9.0	10.0
SGOV	iShares 0-3 Month Treasury Bond ETF	-	1.5	3.5	-
SHY	iShares 1-3 Year Treasury Bond ETF	13.5	8.0	1.5	-
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	-	2.5	6.5	13.0
TFLO	iShares Treasury Floating Rate Bond ETF	12.0	11.0	4.0	-
TLT	iShares 20+ Year Treasury Bond ETF	1.0	3.5	3.5	2.5
USHY	iShares Broad USD High Yield Corporate Bond ETF	5.0	8.0	15.0	20.0
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	-	1.0	6.0	6.0
Cash & Cash Alternatives		2.0	2.0	2.0	2.0
CASH-USD	UNITED STATES DOLLAR (USD) - Cash	2.0	2.0	2.0	2.0

Allocations for the model portfolios are targets and subject to change. If a ratio is used in the model name, the ratio corresponds to the target percentage of equity and fixed income exposure within the model. For example, "60/40" means the model targets 60% in equity exposure and 40% in fixed income exposure. The target fixed income exposure may include an allocation to cash.

Changes to Holdings (%)

Allocation as of 1/15/26

		Core	Moderate	High	Aggressive
US Fixed Income		-0.0	-	-0.0	-0.0
BINC	iShares Flexible Income Active ETF	+4.0	+4.0	+4.0	+4.0
CLOA	iShares AAA CLO Active ETF	+6.5	+6.0	+5.5	+3.5
FLOT	iShares Floating Rate Bond ETF	-3.0	-3.0	-2.0	-
HYDB	iShares High Yield Systematic Bond ETF	-	-	-	-
IEF	iShares 7-10 Year Treasury Bond ETF	-	-	-	-
IEI	iShares 3-7 Year Treasury Bond ETF	-	-	-	-
IGEB	iShares Investment Grade Systematic Bond ETF	-2.0	-2.0	-2.0	-2.0
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	-	-1.0	-3.0	-3.0
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	-	-	-3.0	-
LQDH	iShares Interest Rate Hedged Corporate Bond ETF	-3.5	-3.0	-	-
QLTA	iShares Aaa - A Rated Corporate Bond ETF	-	+1.0	+6.0	+4.5
SGOV	iShares 0-3 Month Treasury Bond ETF	-	-	-	-1.5
SHY	iShares 1-3 Year Treasury Bond ETF	-	-	-	-
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	-	-	-	-
TFLO	iShares Treasury Floating Rate Bond ETF	-	-	-3.5	-3.5
TLT	iShares 20+ Year Treasury Bond ETF	-	-	-	-
USHY	iShares Broad USD High Yield Corporate Bond ETF	-2.0	-2.0	-2.0	-2.0
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	-	-	-	-
Cash & Cash Alternatives		-	-	-	-
CASH-USD	UNITED STATES DOLLAR (USD) - Cash	-	-	-	-

Allocations for the model portfolios are targets and subject to change. If a ratio is used in the model name, the ratio corresponds to the target percentage of equity and fixed income exposure within the model. For example, "60/40" means the model targets 60% in equity exposure and 40% in fixed income exposure. The target fixed income exposure may include an allocation to cash.

Performance (%)

As of 12/31/25

Model	Performance Type	Last Month (%)	3 Month (%)	Year to Date (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)
Core	Gross of an advisory fee	0.04	1.03	6.07	6.07	5.23	2.15	2.41	2.11
	Net of 3% advisory fee	-0.22	0.26	2.89	2.89	2.08	-0.91	-0.67	-0.95
Core Benchmark	Gross of an advisory fee	-0.14	1.10	7.24	7.24	4.67	-0.30	2.04	1.95
Moderate	Gross of an advisory fee	0.02	0.98	6.45	6.45	5.99	1.35	2.62	2.26
	Net of 3% advisory fee	-0.23	0.21	3.26	3.26	2.81	-1.69	-0.46	-0.81
Moderate Benchmark	Gross of an advisory fee	-0.14	1.10	7.24	7.24	4.67	-0.30	2.04	1.95
High	Gross of an advisory fee	0.04	0.94	7.17	7.17	7.01	1.62	3.14	2.54
	Net of 3% advisory fee	-0.21	0.18	3.96	3.96	3.80	-1.43	0.05	-0.53
High Benchmark	Gross of an advisory fee	-0.14	1.10	7.24	7.24	4.67	-0.30	2.04	1.95
Aggressive	Gross of an advisory fee	0.10	0.96	7.93	7.93	8.15	2.17	3.73	2.81
	Net of 3% advisory fee	-0.16	0.19	4.69	4.69	4.91	-0.90	0.62	-0.27
Aggressive Benchmark	Gross of an advisory fee	-0.14	1.10	7.24	7.24	4.67	-0.30	2.04	1.95

The inception date for the model portfolios is **10/31/14**.

As of 7/1/2021, the benchmark is represented by the 98% Bloomberg U.S. Aggregate Index and 2% ICE BofAML US T-Bill 0-3 Month Index. Prior to 7/1/2021, the benchmark was represented by the Bloomberg U.S. Aggregate Index.

Past performance does not guarantee future results. For standardized performance of the underlying funds within the model portfolios, please see the Appendix. Index performance is for illustrative purposes only. Index performance does not reflect any management fees or expenses. Indexes are unmanaged and one cannot invest directly in an index. Performance is annualized for time periods greater than 1 year. The performance shown does not reflect the performance of actual client accounts. Each model portfolio includes allocations to underlying constituent securities and uses the underlying securities' historical performance. Where the constituent security is a mutual fund, performance (i) assumes reinvestment of dividends and capital gains, (ii) reflects the deduction of fund expenses, including management fees and other expenses, and (iii) does not reflect any applicable sales charges. In addition, where the constituent security is a fund, performance shown is based on the performance of the share class (if applicable) featured in the model portfolio. Where the constituent security is an exchange traded fund/product, performance (i) reflects the deduction of fund expenses, including management fees and other expenses, and (ii) does not reflect reinvestment of dividends and capital gain or any applicable sales charges. Where the constituent security is an unlisted closed end fund, third-party separately managed composite strategy, or non-traded business development company (BDC), performance shown is based on the most recent NAV of the fund or BDC or Market Value of the strategy, calculated pursuant to its registration statement, available as of the rebalance date of the model portfolio. A financial professional's client may or may not be eligible to hold the share class shown. In the case of an unlisted closed end fund or non-traded BDC, a financial professional's client (i) may not be eligible to hold such fund and (ii), due to liquidity constraints, may not be able to trade in the shares as of the rebalance date or otherwise hold the positions at model weight.

The performance of actual client accounts may differ from the performance shown for a variety of reasons, including but not limited to: the financial professional is responsible for implementing trades in the accounts; differences in market conditions; client-imposed investment restrictions; the timing of client investments and withdrawals; fees payable by such accounts; cash flows into or out of such accounts; certain of the underlying holdings may have eligibility requirements or restrictions on liquidity; and/or other factors.

Gross performance does not reflect the deduction of any fees or expenses that may be charged by the financial professional. The fees and expenses that a client may incur in their account will reduce the account's return. Net performance reflects the deduction of an annual investment advisory fee, deducted monthly, that may be charged by the financial professional but does not reflect the deduction of any applicable custodial fees, platform fees or brokerage commissions. The default net performance reflects a hypothetical annual investment advisory fee of 3%; however a financial professional may input a different annual investment advisory fee or exclude the investment advisory fee. By changing the default investment advisory fee, the financial professional represents that such inputs reflect the fee that is applicable to the client's account. BlackRock does not independently verify the accuracy of such investment advisory fee inputs. Due to the compounding effect of these fees, annual net performance results may be lower than stated gross returns less the indicated annual fee. Actual advisory fees charged by a financial professional may vary.

APPENDIX

Fund Performance

QUARTERLY RETURNS - NAV(%)

As of 12/31/25

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
BINC	iShares Flexible Income Active ETF	7.67%	-	-	8.10%	5/19/23
CLOA	iShares AAA CLO Active ETF	5.58%	-	-	7.22%	1/10/23
FLOT	iShares Floating Rate Bond ETF	5.01%	3.87%	2.89%	2.23%	6/14/11
HYDB	iShares High Yield Systematic Bond ETF	8.08%	5.02%	-	5.73%	7/11/17
IEF	iShares 7-10 Year Treasury Bond ETF	8.05%	-1.82%	1.26%	3.52%	7/22/02
IEI	iShares 3-7 Year Treasury Bond ETF	7.01%	0.05%	1.64%	2.93%	1/5/07
IGEB	iShares Investment Grade Systematic Bond ETF	8.13%	0.60%	-	3.33%	7/11/17
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	7.46%	-2.90%	3.30%	4.48%	12/8/09
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.93%	2.33%	2.83%	2.88%	1/5/07
QLTA	iShares Aaa - A Rated Corporate Bond ETF	7.37%	-0.62%	2.55%	2.60%	2/14/12
SGOV	iShares® 0-3 Month Treasury Bond ETF	4.24%	3.23%	-	2.89%	5/26/20
SHY	iShares 1-3 Year Treasury Bond ETF	5.00%	1.63%	1.70%	1.98%	7/22/02
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	7.79%	5.21%	5.64%	4.45%	10/15/13
TFLO	iShares Treasury Floating Rate Bond ETF	4.26%	3.31%	2.22%	1.88%	2/4/14
TLT	iShares 20+ Year Treasury Bond ETF	4.17%	-8.37%	-0.55%	3.72%	7/22/02
USHY	iShares Broad USD High Yield Corporate Bond ETF	8.79%	4.50%	-	4.87%	10/25/17
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	7.85%	0.11%	3.21%	4.04%	1/5/07

QUARTERLY RETURNS - MARKET(%)

As of 12/31/25

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
BINC	iShares Flexible Income Active ETF	7.57%	-	-	8.16%	5/19/23
CLOA	iShares AAA CLO Active ETF	5.44%	-	-	7.20%	1/10/23
FLOT	iShares Floating Rate Bond ETF	4.91%	3.89%	2.89%	2.23%	6/14/11
HYDB	iShares High Yield Systematic Bond ETF	8.10%	4.93%	-	5.61%	7/11/17
IEF	iShares 7-10 Year Treasury Bond ETF	8.03%	-1.81%	1.27%	3.52%	7/22/02
IEI	iShares 3-7 Year Treasury Bond ETF	6.96%	0.06%	1.65%	2.94%	1/5/07
IGEB	iShares Investment Grade Systematic Bond ETF	8.17%	0.56%	-	3.27%	7/11/17

Target Income ETF Models

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	7.53%	-2.91%	3.28%	4.43%	12/8/09
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.96%	2.31%	2.82%	2.87%	1/5/07
QLTA	iShares Aaa - A Rated Corporate Bond ETF	7.36%	-0.62%	2.56%	2.58%	2/14/12
SGOV	iShares® 0-3 Month Treasury Bond ETF	4.24%	3.23%	-	2.89%	5/26/20
SHY	iShares 1-3 Year Treasury Bond ETF	4.95%	1.63%	1.71%	1.98%	7/22/02
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	7.94%	5.13%	5.59%	4.43%	10/15/13
TFLO	iShares Treasury Floating Rate Bond ETF	4.22%	3.31%	2.16%	1.87%	2/4/14
TLT	iShares 20+ Year Treasury Bond ETF	4.25%	-8.37%	-0.54%	3.71%	7/22/02
USHY	iShares Broad USD High Yield Corporate Bond ETF	8.82%	4.41%	-	4.83%	10/25/17
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	7.86%	0.10%	3.19%	4.03%	1/5/07

QUARTERLY RETURNS - LOAD ADJUSTED(%)

As of 12/31/25

Ticker	Name	1YR	5YR	10YR	Since Inception	Inception Date	Max Front Load	Deferred Load
BINC	iShares Flexible Income Active ETF	7.67%	-	-	8.10%	5/19/23	-	-
CLOA	iShares AAA CLO Active ETF	5.58%	-	-	7.22%	1/10/23	-	-
FLOT	iShares Floating Rate Bond ETF	5.01%	3.87%	2.89%	2.23%	6/14/11	-	-
HYDB	iShares High Yield Systematic Bond ETF	8.08%	5.02%	-	5.73%	7/11/17	-	-
IEF	iShares 7-10 Year Treasury Bond ETF	8.05%	-1.82%	1.26%	3.52%	7/22/02	-	-
IEI	iShares 3-7 Year Treasury Bond ETF	7.01%	0.05%	1.64%	2.93%	1/5/07	-	-
IGEB	iShares Investment Grade Systematic Bond ETF	8.13%	0.60%	-	3.33%	7/11/17	-	-
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	7.46%	-2.90%	3.30%	4.48%	12/8/09	-	-
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	6.93%	2.33%	2.83%	2.88%	1/5/07	-	-
QLTA	iShares Aaa - A Rated Corporate Bond ETF	7.37%	-0.62%	2.55%	2.60%	2/14/12	-	-
SGOV	iShares® 0-3 Month Treasury Bond ETF	4.24%	3.23%	-	2.89%	5/26/20	-	-
SHY	iShares 1-3 Year Treasury Bond ETF	5.00%	1.63%	1.70%	1.98%	7/22/02	-	-
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	7.79%	5.21%	5.64%	4.45%	10/15/13	-	-
TFLO	iShares Treasury Floating Rate Bond ETF	4.26%	3.31%	2.22%	1.88%	2/4/14	-	-
TLT	iShares 20+ Year Treasury Bond ETF	4.17%	-8.37%	-0.55%	3.72%	7/22/02	-	-
USHY	iShares Broad USD High Yield Corporate Bond ETF	8.79%	4.50%	-	4.87%	10/25/17	-	-
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	7.85%	0.11%	3.21%	4.04%	1/5/07	-	-

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers. Performance data current to the most recent month end for the BlackRock and iShares Funds may be obtained by visiting www.blackrock.com or www.iShares.com. Performance is annualized for time periods greater than 1 year. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns. Beginning August 10, 2020, market price returns for BlackRock and iShares ETFs are calculated using the closing price and account for distributions from the fund. Prior to August 10, 2020, market price returns for BlackRock and iShares ETFs were calculated using the midpoint price and

accounted for distributions from the fund. The midpoint is the average of the bid/ask prices at 4:00 PM ET (when NAV is normally determined for most ETFs). The returns shown do not represent the returns you would receive if you traded shares at other times. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers. Source: Morningstar

Specific to model holdings, where applicable:

The iShares Bitcoin Trust ETF is not an investment company registered under the Investment Company Act of 1940, and therefore is not subject to the same regulatory requirements as mutual funds or ETFs registered under the Investment Company Act of 1940. The Trust is not a commodity pool for purposes of the Commodity Exchange Act. Before making an investment decision, you should carefully consider the risk factors and other information included in the prospectus. Please read the prospectus carefully before investing.

For the BlackRock Floating Rate Income Fund (BFRIX): The Fund's information prior to September 17, 2018 is the information of a predecessor fund that reorganized into the fund on September 17, 2018. The predecessor fund had the same investment objectives, strategies and policies, portfolio management team and contractual arrangements, including the same contractual fees and expenses, as the fund as of the date of the reorganization. As a result of the reorganization, the fund adopted the performance and financial history of the predecessor fund. The predecessor fund's information prior to March 21, 2011 is the information of a fund that reorganized into the predecessor fund on March 21, 2011.

The following fund(s) previously operated as an open-end mutual fund. The Fund has an identical investment objective and substantially similar investment strategies and investment risk profiles as the predecessor mutual fund. The returns shown are the NAV returns of the predecessor mutual fund prior to the Fund's commencement of operations, which had structural, regulatory, expense, and fee differences that may result in performance differences over time. Market price performance uses NAV returns of the predecessor fund prior to the fund's listing date. See below and each fund's respective prospectus for more information:

BIDD: Last day of mutual fund operation: 11/15/2024; Listing date: 11/18/2024; Fund uses NAV performance of the Institutional Class Share of the predecessor fund. Performance for the periods prior to 6/12/17 shown is based on the investment process and investment strategies utilized by the predecessor mutual fund when it followed a different investment objective, investment process and investment strategies under the name "BlackRock International Opportunities Portfolio."

HIMU: Last day of mutual fund operation: 02/07/2025; Listing date: 02/10/2025; Fund uses NAV performance of the Institutional Class Share of the predecessor fund.

BDVL: Last day of mutual fund operation: 09/12/2025; Listing date: 09/15/2025; Fund uses NAV performance of the Class K Shares of the predecessor fund.

BDYN: Last day of mutual fund operation: 09/12/2025; Listing date: 09/15/2025; Fund uses NAV performance of the Class K Shares of the predecessor fund.

Fees

As of 12/31/25

Ticker	Name	Gross Expense Ratio
BINC	iShares Flexible Income Active ETF	0.52%
CLOA	iShares AAA CLO Active ETF	0.20%
FLOT	iShares Floating Rate Bond ETF	0.15%
HYDB	iShares High Yield Systematic Bond ETF	0.35%
IEF	iShares 7-10 Year Treasury Bond ETF	0.15%
IEI	iShares 3-7 Year Treasury Bond ETF	0.15%
IGEB	iShares Investment Grade Systematic Bond ETF	0.18%
IGLB	iShares 10+ Year Investment Grade Corporate Bond ETF	0.04%
IGSB	iShares 1-5 Year Investment Grade Corporate Bond ETF	0.04%
QLTA	iShares Aaa - A Rated Corporate Bond ETF	0.15%
SGOV	iShares® 0-3 Month Treasury Bond ETF	0.09%

Target Income ETF Models

Ticker	Name	Gross Expense Ratio
SHY	iShares 1-3 Year Treasury Bond ETF	0.15%
SHYG	iShares 0-5 Year High Yield Corporate Bond ETF	0.30%
TFLO	iShares Treasury Floating Rate Bond ETF	0.15%
TLT	iShares 20+ Year Treasury Bond ETF	0.15%
USHY	iShares Broad USD High Yield Corporate Bond ETF	0.08%
USIG	iShares Broad USD Investment Grade Corporate Bond ETF	0.04%

Fees are as of current prospectus. A sponsor fee is shown in lieu of gross and net expense ratios for any iShares Trusts or other products registered only under the Securities Act of 1933. Source: Morningstar

Glossary

Gross Expense Ratio: Weighted average prospectus gross expense ratio of the portfolio. Source: Morningstar

Net Expense Ratio: Weighted average prospectus net expense ratio of the portfolio. Source: Morningstar

IMPORTANT INFORMATION

This information should not be relied upon as investment advice, research, or a recommendation by BlackRock regarding (i) the funds, (ii) the use or suitability of the model portfolios or (iii) any security in particular. Only an investor and their financial professional know enough about their circumstances to make an investment decision.

Carefully consider the investment objectives, risk factors, charges and expenses of funds within the model portfolios 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 each fund company's website, contacting your financial professional, or by visiting www.sec.gov/edgar/search. For BlackRock Funds, please visit www.blackrock.com/prospectus. For iShares Funds, please visit www.iShares.com/prospectus. Read the prospectuses carefully before investing.

Investing involves risk, including possible loss of principal. Asset allocation and diversification may not protect against market risk, loss of principal or volatility of returns.

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For prospectuses for all other third party funds, visit <https://www.sec.gov/edgar/search/>

Click the following links to view a prospectus:

ETHA/IBIT - <https://www.ishares.com/us/products/digital-assets>

GSG - <https://www.ishares.com/us/literature/prospectus/p-ishares-s-and-p-gsci-commodity-indexed-trust-prospectus-12-31.pdf>

IAU - <https://www.ishares.com/us/literature/prospectus/p-ishares-gold-trust-prospectus-12-31.pdf>

IAUM - <https://www.ishares.com/us/literature/prospectus/p-ishares-gold-trust-micro-12-31.pdf>

SLV - <https://www.ishares.com/us/literature/prospectus/p-ishares-silver-trust-prospectus-12-31.pdf>

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Common shares for most closed-end funds are only available for purchase and sale at current market price on a stock exchange. Certain closed-end funds are "interval funds" that are not listed for trading on any securities exchange and are designed primarily for long-term investors. An investment in "interval funds", unlike an investment in a traditional listed closed-end fund, should be considered illiquid and is not suitable for investors who need access to the money they invest. Investors may be unable

Target Income ETF Models

to reduce their exposure to such funds during any market downturn. Shares of an "interval fund" are not redeemable at an investor's option nor are they exchangeable for shares of any other fund, although the fund periodically offers to repurchase shares from outstanding shareholders. Please see the fund's prospectus for additional details. A closed-end fund's dividend yield, market price and NAV will fluctuate with market conditions.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities. Mortgage-backed securities ("MBS") and commercial mortgage-backed securities ("CMBS") are subject to prepayment and extension risk and therefore react differently to changes in interest rates than other bonds. Small movements in interest rates may quickly and significantly reduce the value of certain mortgage-backed securities. There may be less information on the financial condition of municipal issuers than for public corporations. The market for municipal bonds may be less liquid than for taxable bonds. Some investors may be subject to federal or state income taxes or the Alternative Minimum Tax (AMT). Capital gains distributions, if any, are taxable. An investment in a treasury Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency and its return and yield (gross) will fluctuate with market conditions.

International investing involves risks, including risks related to foreign currency, limited liquidity, less government regulation and the possibility of substantial volatility due to adverse political, economic or other developments. These risks often are heightened for investments in emerging/developing markets and in concentrations of single countries. Funds that concentrate investments in specific industries, sectors, markets or asset classes may underperform or be more volatile than other industries, sectors, markets or asset classes and the general securities market.

A fund's use of derivatives may reduce a fund's returns and/or increase volatility and subject the fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. A fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that any fund's hedging transactions will be effective.

There can be no assurance that performance will be enhanced or risk will be reduced for funds that seek to provide exposure to certain quantitative investment characteristics ("factors"). Exposure to such investment factors may detract from performance in some market environments, perhaps for extended periods. In such circumstances, a fund may seek to maintain exposure to the targeted investment factors and not adjust to target different factors, which could result in losses.

A fund's environmental, social and governance ("ESG") investment strategy limits the types and number of investment opportunities available to the fund and, as a result, the fund may underperform other funds that do not have an ESG focus. A fund's ESG investment strategy may result in the fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards. In addition, companies selected by the index provider may not exhibit positive or favorable ESG characteristics.

Alternative investments present the opportunity for significant losses and some alternative investments have experienced periods of extreme volatility. Alternative investments may be less liquid than investments in traditional securities.

Commodities' prices may be highly volatile. Prices may be affected by various economic, financial, social and political factors, which may be unpredictable and may have a significant impact on the prices of precious metals. 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. Any information on funds not managed by BlackRock or securities not distributed by BlackRock is provided for illustration only and should not be construed as an offer or solicitation from BlackRock to buy or sell any securities.

A BuyWrite Strategy ETF's use of options may reduce returns or increase volatility. During periods of very low or negative interest rates, the Underlying Fund may be unable to maintain positive returns. Very low or negative interest rates may magnify interest rate risk. In a falling interest rate environment, the ETF may underperform the Underlying Fund. By writing covered call options in return for the receipt of premiums, the ETF will give up the opportunity to benefit from increases in the value of the Underlying Fund but will continue to bear the risk of declines in the value of the Underlying Fund. The premiums received from the options may not be sufficient to offset any losses sustained from the volatility of the Underlying Fund over time. The ETF will be subject to capital gain taxes, ordinary income tax and other tax considerations due to its writing covered call options strategy.

Investing in digital assets involves significant risks due to their extreme price volatility and the potential for loss, theft, or compromise of private keys. The value of the investment is closely tied to acceptance, industry developments, and governance changes, making them susceptible to market sentiment. A disruption of the internet or a digital asset network would affect the ability to transfer digital assets, and, consequently, would impact their value.

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Incorporating products providing private market exposure into a portfolio presents the opportunity for significant losses including in some cases, losses which exceed the principal amount invested. Also, some private market investments have experienced periods of extreme volatility and in general, are not suitable for all investors. Asset allocation and diversification strategies do not ensure profit or protect against loss in declining markets. Investor performance may differ due to the illiquidity of the underlying private investments.

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