

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: BlackRock European Select Strategies Fund
Legal entity identifier: 5493002GBS41T4V45F34**

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 Investment Adviser will employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (e.g. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received.

The Fund applies the BlackRock EMEA Baseline Screens. This set of screens avoids exposures that have negative environmental outcomes by excluding direct investment in issuers that have material involvement in thermal coal and tar sands extraction, as well as thermal coal-based power generation. Negative social outcomes are also avoided by excluding direct investment in issuers involved in controversial weapons and nuclear weapons, and material involvement in production and distribution of civilian firearms and tobacco. This Fund also excludes issuers deemed to have failed to comply with the 10 UN Global Compact Principles, which cover human rights, labour standards, the environment, and anti-corruption. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>

The Fund does not use a reference benchmark for the purposes of attaining the ESG characteristics that it promotes, however, Bloomberg Pan European Aggregate Index (Hedged EUR) (75%)

and MSCI Europe Index (Hedged EUR) (25%) (the “Index”) is used to compare certain ESG characteristics promoted by the Fund.

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 sustainability indicators used to measure the attainment of the environmental or social characteristics promoted by this Fund include:

1. The Fund’s holdings in investments that are deemed to have associated positive externalities and avoidance of negative externalities as described above.
2. The Fund’s consideration of principal adverse impacts (PAIs) on sustainability factors, as described below.
3. The Fund’s exclusion of holdings in issuers identified by the exclusion criteria set out in the BlackRock EMEA Baseline Screens, as described above.

● **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?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.

● **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 this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

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

Not applicable as this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio. Please refer to the section below, “Does this financial product consider principal adverse impacts on sustainability factors?”, which describes how the Fund considers PAIs on sustainability factors.

— *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 this Fund does not commit to investing in Sustainable Investments, however, they may form part of the portfolio.

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.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.



Does this financial product consider principal adverse impacts on sustainability factors?

Yes

No

The Fund considers PAIs on sustainability factors through the application of the BlackRock EMEA Baseline Screens and its exclusionary policy.

The Fund takes into account the following PAIs:

- GHG emissions
- GHG intensity of investee companies
- Exposure to companies active in the fossil fuel sector
- Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises.
- Energy consumption intensity per high impact climate sector
- Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- Exposure to controversial weapons (anti personnel mines, cluster munitions, chemical weapons and biological 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 Fund will apply the BlackRock EMEA Baseline Screens Policy. The Investment Adviser will also employ a proprietary methodology to assess investments based on the extent to which they are associated with positive or negative externalities, that is environmental and social benefits or costs as defined by the Investment Adviser. The Investment Adviser will seek to enhance exposure to investments that are deemed to have associated positive externalities (i.e. lower carbon emitting issuers and issuers with positive ESG credentials) and seek to limit exposure to investments that are deemed to have associated negative externalities (e.g. higher carbon emitters, issuers with certain controversial business practices, and issuers with negative ESG credentials). The assessment of the level of involvement in each activity may be based on percentage of revenue, a defined total revenue threshold, or any connection to a restricted activity regardless of the amount of revenue received. The remaining issuers (i.e. those issuers which have not yet been excluded from investment by the Fund) are then evaluated by the Investment Adviser based on, among other factors, their ability to manage the risks and opportunities associated with ESG compliant business practices and their ESG risk and opportunity credentials, such as their leadership and governance framework, which is considered essential for sustainable growth, their ability to strategically manage longer-term issues surrounding ESG and the potential impact this may have on an issuer's financials. To undertake this analysis, the Investment Adviser may use data provided by external ESG Providers, proprietary models and local intelligence and may undertake site visits.

- ***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 as follows:

1. Enhancing exposure to investments that are deemed to have associated positive externalities while limiting investments that are deemed to have associated negative externalities.
2. Apply the BlackRock EMEA Baseline Screens.

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

Whilst the Fund applies exclusionary screens to avoid investment in the activities listed above, there is no commitment to reduce the scope of investments by a minimum rate.

- ***What is the policy to assess good governance practices of the investee companies?***

BlackRock assesses good governance practices of the investee companies by combining proprietary insights and shareholder engagement by the Investment Adviser, with data from external ESG research providers. BlackRock uses data from external ESG research providers to initially identify issuers which may not have satisfactory governance practices in relation to key performance indicators (KPIs) related to sound management structure, employee relations, remuneration of staff and tax compliance.

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

Where issuers are identified as potentially having issues with regards to good governance, the issuers are reviewed to ensure that, where the Investment Adviser agrees with this external assessment, the Investment Adviser is satisfied that the issuer has either taken remediation actions or will take remedial actions within a reasonable time frame based on the Investment Adviser's direct engagement with the issuer. The Investment Adviser may also decide to reduce exposure to such issuers.



What is the asset allocation planned for this financial product?

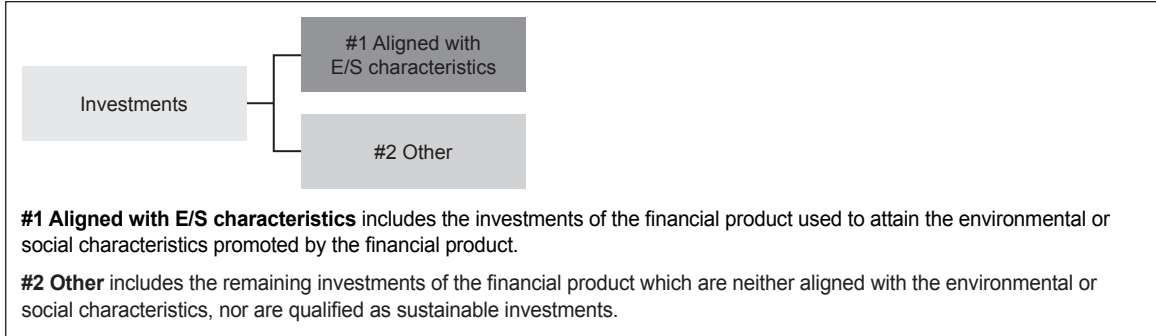
A minimum of 80% of the Fund's total assets will be invested in investments that are aligned with the environmental and/or social characteristics described above (#1 Aligned with E/S characteristics).

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

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.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.



● **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. For derivatives, any ESG rating or analyses referenced above will apply only to the underlying investment.

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

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.



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

The Fund does not currently commit to investing more than 0% of its assets in Sustainable Investments with an environmental objective aligned with the EU Taxonomy, however, these investments may form part of the portfolio.

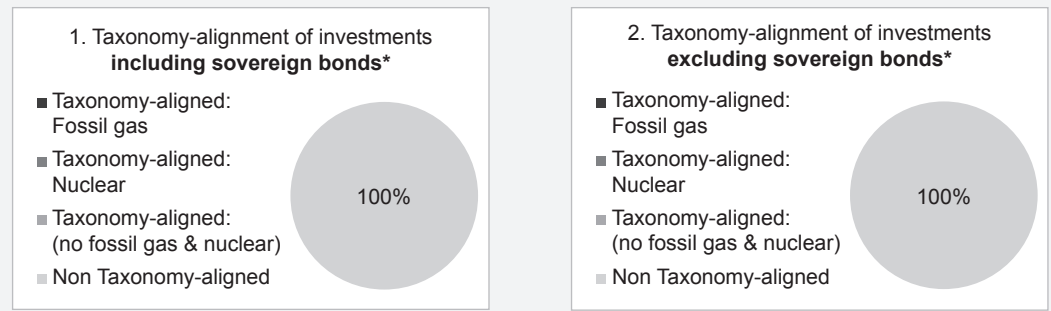
● **Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy¹?**

- Yes In fossil gas In nuclear energy

No

The Fund does not currently commit to invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy, however, these investments may form part of the portfolio.

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

¹ Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- **What is the minimum share of investments in transitional and enabling activities?**

The Fund does not commit to making investments in transitional and enabling activities, however, these investments may form part of the portfolio.

 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 sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.



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

The Fund does not commit to holding Sustainable Investments, however, they may form part of the portfolio.



- **What investments are included under “#2 Other”, what is their purpose and are there any minimum environmental or social safeguards?**

Other holdings are limited to 20% and may include derivatives, cash and near cash instruments and shares or units of CIS and fixed income transferable securities (also known as debt securities) issued by governments and agencies worldwide.

These investments may be used for investment purposes in pursuit of the Fund’s (non ESG) investment objective, for the purposes of liquidity management and/or hedging.

No other holdings are 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?**

No. Please note that the Bloomberg Pan European Aggregate Index (Hedged EUR) (75%) and MSCI Europe Index (Hedged EUR) (25%) is used to compare certain ESG characteristics promoted by the Fund.

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

Not applicable.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

Not applicable.

- **How does the designated index differ from a relevant broad market index?**

Not applicable.

- **Where can the methodology used for the calculation of the designated index be found?**

Not applicable.



- **Where can I find more product specific information online?**

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

Please refer to the website page for the Fund, which can be found by typing the name of the Fund into the search bar on the BlackRock website: www.blackrock.com. Further information on the criteria for BlackRock EMEA Baseline Screens can be found by copying and pasting the following link into your web browser: <https://www.blackrock.com/corporate/literature/publication/blackrock-baseline-screens-in-europe-middleeast-and-africa.pdf>