

iShares Core U.S. Aggregate Bond ETF

AGG | NYSE Arca

Annual Shareholder Report — February 28, 2025



This annual shareholder report contains important information about iShares Core U.S. Aggregate Bond ETF (the “Fund”) for the period of March 1, 2024 to February 28, 2025. You can find additional information about the Fund at blackrock.com/fundreports. You can also request this information by contacting us at 1-800-iShares (1-800-474-2737).

What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

Fund name	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
iShares Core U.S. Aggregate Bond ETF	\$3	0.03%

How did the Fund perform last year?

- For the reporting period ended February 28, 2025, the Fund returned 5.80%.
- For the same period, the Bloomberg U.S. Universal Index returned 6.30% and the Bloomberg U.S. Aggregate Bond Index returned 5.81%.

What contributed to performance?

Fixed income prices rose amid a generally positive economic backdrop, although the end of the reporting period saw increased volatility due to the presidential election and the economic implications of the new administration’s policies. Slowing inflationary trends led the U.S. Federal Reserve Bank to lower the federal funds rate three times during the reporting period. However, the central bank hit pause at its January meeting, under the notion that it needed to see further progress on inflation before cutting rates any further. The yield curve (with the difference between a shorter-term bond and a longer-term bonds, most often gauged by that of the two-year Treasury note and the 10-year Treasury note) normalized during the period as yields on longer-term bonds moved higher. (Bond yields move inversely to prices.) In this environment, shorter-term Treasuries outperformed their longer-dated counterparts.

Corporate bond spreads over Treasuries tightened during the reporting period, suggesting investors demanded less additional yield over to hold corporate bonds. Overall, the Fund’s Treasury holdings contributed the most to performance, followed by corporate bonds and securitized issues. By maturity, longer-dated issues benefited returns.

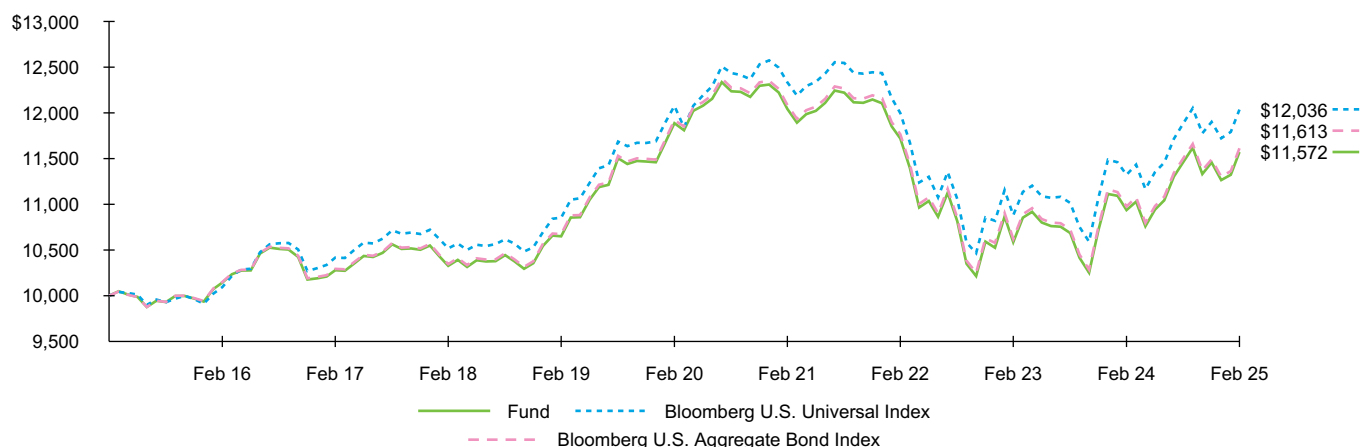
What detracted from performance?

During the reporting period, there were no significant detractors from the Fund’s return.

The views expressed reflect the opinions of BlackRock as of the date of this report and are subject to change based on changes in market, economic or other conditions. These views are not intended to be a forecast of future events and are no guarantee of future results.

Fund performance

Cumulative performance: March 1, 2015 through February 28, 2025
Initial investment of \$10,000



See “Average annual total returns” for additional information on fund performance.

Average annual total returns

	1 Year	5 Years	10 Years
Fund NAV	5.80%	(0.54)%	1.47%
Bloomberg U.S. Universal Index	6.30	(0.07)	1.87
Bloomberg U.S. Aggregate Bond Index	5.81	(0.52)	1.51

The Fund has added the Bloomberg U.S. Universal Index in response to new regulatory requirements.

Past performance is not an indication of future results. Performance results do not reflect the deduction of taxes that a shareholder would pay on fund distributions or on the redemption or sale of fund shares. Visit [iShares.com](https://www.blackrock.com/fundreports) for more recent performance information.

What did the Fund invest in?

(as of February 28, 2025)

Credit quality allocation

Moody's Credit Rating [*]	Percent of Total Investments ^(a)
Aaa	73.1%
Aa	2.5
A	11.4
Baa	11.6
Ba	0.5
Not Rated	0.9

^(a) Excludes money market funds.

^{*} Credit quality ratings shown reflect the ratings assigned by Moody's Investors Service ("Moody's"), a widely used independent, nationally recognized statistical rating organization. Moody's credit ratings are opinions of the credit quality of individual obligations or of an issuer's general creditworthiness. Investment grade ratings are credit ratings of Baa or higher. Below investment grade ratings are credit ratings of Ba or lower. Unrated investments do not necessarily indicate low credit quality. Credit quality ratings are subject to change.

Portfolio composition

Investment Type	Percent of Total Investments ^(a)
U.S. Government & Agency Obligations	70.9%
Corporate Bonds & Notes	25.3
Foreign Government Obligations	2.1
Collateralized Mortgage Obligations	1.0
Municipal Debt Obligations	0.5
Asset-Backed Securities	0.4
TBA Sales Commitments	(0.2)

Additional information

If you wish to view additional information about the Fund, including but not limited to financial statements, the Fund's prospectus, and proxy voting policies and procedures, please visit [blackrock.com/fundreports](https://www.blackrock.com/fundreports). For proxy voting records, visit [blackrock.com/proxyrecords](https://www.blackrock.com/proxyrecords).

Householding

Householding is an option available to certain fund investors. Householding is a method of delivery, based on the preference of the individual investor, in which a single copy of certain shareholder documents can be delivered to investors who share the same address, even if their accounts are registered under different names. Please contact your broker-dealer if you are interested in enrolling in householding and receiving a single copy of prospectuses and other shareholder documents, or if you are currently enrolled in householding and wish to change your householding status.

The Fund is not sponsored, endorsed, issued, sold, or promoted by Bloomberg Index Services Limited and its affiliates, nor does this company make any representation regarding the advisability of investing in the Fund. BlackRock is not affiliated with the company listed above.

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