

BlackRock Global Funds – Circular Economy Fund

September 2023

BlackRock Asset Management North Asia Limited 貝萊德資產管理北亞有限公司

*This statement provides you with key information about this product
This statement is a part of the offering document
You should not invest in this product based on this statement alone*

Quick facts

Management Company:	BlackRock (Luxembourg) S.A.		
Investment Adviser(s) and/or Sub-Adviser(s):	Internal delegation to one or more Investment Adviser(s) and/or Sub-Adviser(s) as described in “The Investment Advisers and Sub-Advisers” section of the Information For Residents of Hong Kong*		
	* Details of the relevant Investment Adviser(s) and Sub-Adviser(s) responsible for the Fund will be listed in the interim report and annual report and will be available from the Hong Kong Representative upon request.		
Depository:	The Bank of New York Mellon SA/NV, Luxembourg Branch		
Ongoing charges over a year:	Class A2	AUD Hedged	1.81%
	Class A2	CAD Hedged	1.81%
	Class A2	EUR	1.81%
	Class A2	EUR Hedged	1.81%
	Class A2	GBP Hedged	1.81%
	Class A2	HKD Hedged	1.81%
	Class A2	NZD Hedged	1.80%
	Class A2	RMB Hedged	1.81%
	Class A2	SGD Hedged	1.81%
	Class A2	USD	1.81%
	Class A4	USD	1.81%
	Class A5(G)	SGD	1.81% *
	Class A10	USD	1.81% *
	Class A10	HKD Hedged	1.81% *
	Class A10	AUD Hedged	1.81% *
	Class A10	RMB Hedged	1.81% *
	Class C2	EUR	3.02% *
	Class D2	EUR	0.99%
	Class D2	GBP Hedged	0.99%
	Class D2	USD	0.99%
The ongoing charges figure for a class is based on the costs and expenses of that class with reference to the annual report of the Fund for the year ended 31 August 2022.			
For a share class which is newly launched (marked *) the ongoing charges figure represents the Management Company’s best estimate of the ongoing			

	charges based on the information available in respect of other active share classes with a similar fee structure.		
	The figure may vary from year to year.		
Dealing frequency:	Daily	Financial year end:	31 August
Base currency:	USD		
Dividend policy: (Class A, C and D as at the above date)	<p>Non-Distributing Shares: No dividends will be declared or paid</p> <ul style="list-style-type: none"> ▶ A2, C2, D2 <p>Distributing Shares: Dividends, if declared will be paid in cash or reinvested</p> <ul style="list-style-type: none"> ▶ Monthly: A10 ▶ Quarterly: A5(G) ▶ Yearly: A4 <p>All declared dividends result in an immediate decrease in the Fund's net asset values per share on ex-date, whether paid in cash or reinvested.</p> <p>Certain share class (Classes 5(G) and 10) may pay dividends out of gross income while charging all or part of its fees and expenses to capital (i.e. payment of fees and expenses out of capital). This will result in an increase in distributable income available for payment as dividends, and therefore, this share class may effectively pay dividends out of capital. Class 10 may also pay dividends out of capital (including net realised and net unrealised capital gains) of the relevant share class at the Directors' discretion.</p> <p>The Directors may amend the above dividend policy subject to the SFC's prior approval and by giving one month's prior notice to investors.</p>		
Minimum investment:	<p>US\$5,000 initial, US\$1,000 additional for Class A Shares</p> <p>US\$100,000 initial, US\$1,000 additional for Class D Shares</p>		

What is this product?

Circular Economy Fund (the "Fund") is a sub-fund of BlackRock Global Funds ("BGF"), an open-ended investment company incorporated in Luxembourg. Its home regulator is the Commission de Surveillance du Secteur Financier (CSSF).

Objectives and Investment Strategy

The Fund seeks to maximise total return. The Fund invests at least 80% of its total assets in the equity securities of companies globally that benefit from, or contribute to, the advancement of the "Circular Economy". Although the intention is to invest only in such equity securities, up to 20% of the total assets of the Fund may be invested in other equity securities, fixed income securities, collective investment schemes or cash (which may not be consistent with the Circular Economy concept) for the purposes of meeting the Fund's objective or for liquidity purposes.

The Circular Economy concept recognises the importance of a sustainable economic system and represents an alternative economic model to the default "make-use-throw away" approach of consumption, which is believed to be unsustainable given scarce resources and the rising cost of managing waste. The Circular Economy concept promotes the redesign of products and systems to minimise waste and to enable greater recycling and reuse of materials.

The Fund will aim to invest in line with the principles of the Circular Economy as determined by the Investment Adviser (having regard to specialist third party information sources as appropriate). In normal market conditions the Fund will invest in a portfolio of equity securities of companies with large, medium and small market capitalisation, across all industry sectors, that benefit from the Circular Economy and/or contribute to the advancement of the Circular Economy across four categories:

Adopters: Companies that are adopting 'circularity' in their business operations (e.g. companies involved in sustainable fashion or companies that have made a commitment to use recycled plastics in production processes).

Enablers: Companies that provide new, innovative solutions directly aimed at solving inefficient material use and pollution (e.g. companies involved in recycling of products, companies involved in reducing inputs such as water and energy and companies enabling sustainable transportation).

Beneficiaries: Companies that provide alternatives to materials that cannot be recycled or supply these to the extended value chain (e.g. companies that will see an increase in demand for their products from shifts towards more easily recyclable products and companies that offer natural or plant-based circular alternatives to non-recyclable and non-biodegradable products).

Business model winners: Companies that facilitate efficient or more responsible consumption via innovative business models (e.g. companies that replace existing business models with digital alternatives and companies that are involved in repair or resale which prolong the use of goods).

The assessment of a company's benefit from and/or contribution to the advancement of the Circular Economy in each of the above categories may be based on percentage of revenue, a defined total revenue threshold, or any connection to the Circular Economy regardless of the amount of revenue received. The companies are rated by the Investment Adviser based on their ability to manage the risks and opportunities associated with the Circular Economy and on their environmental, social and governance ("**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 a company's financials.

The Fund adopts a "best in class" approach to sustainable investing. This means that the Fund selects the best issuers (from an ESG perspective based on the Investment Adviser's evaluation with respect to the above-mentioned ESG factors) for each relevant sector of activities (without excluding any sector of activities) and the weighted average ESG rating of the Fund will be higher than the ESG rating of the MSCI All Countries World Index (MSCI ACWI) after eliminating at least 20% of the least well-rated securities from MSCI ACWI*. More than 90% of the issuers of securities the Fund invests in are ESG rated or have been analysed for ESG purposes.

The Investment Adviser will screen companies globally for their corporate involvement in anti-personnel mines, cluster munitions and depleted uranium ammunition and armour. Where such corporate involvement has been verified, the Fund will exclude investment in securities issued by such companies.

Although it is likely that most of the Fund's investments will be in companies located in developed markets globally, the Fund may also invest in emerging markets.

The Fund's expected total maximum investment in debt instruments with loss-absorption features, including but not limited to contingent convertible bonds, will be up to 20% of its net asset value. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Fund may use derivatives for hedging, investment purposes and for the purposes of efficient portfolio management.

Use of Derivatives/Investment in Derivatives

The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

1. Investment Risks

* The weighted average ESG rating is calculated with reference to third party ESG rating.

The Fund is an investment fund. The Fund's investment portfolio may fall in value due to any of the risk factors below and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.

2. **Equity Risk**

The values of equities fluctuate daily and a Fund investing in equities could incur significant losses. The price of equities can be influenced by many factors at the individual company level, as well as by broader economic and political developments, including changes in investment sentiment, trends in economic growth, inflation and interest rates, issuer-specific factors, corporate earnings reports, demographic trends and catastrophic events.

3. **ESG Investment Policy Risks**

The use of ESG criteria may affect the Fund's investment performance and, as such, the Fund may perform differently compared to similar funds that do not use such criteria. The Fund's "best in class" approach and ESG-based exclusionary criteria used in the Fund's investment policy may result in the Fund foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities due to their ESG characteristics when it might be disadvantageous to do so.

In evaluating a security or issuer based on ESG criteria, the Investment Adviser is dependent upon information and data from third party ESG providers, which may be incomplete, inaccurate, inconsistent or unavailable. As a result, there is a risk that the Investment Adviser may incorrectly assess a security or issuer. There is also a risk that the Investment Adviser may not apply the relevant ESG criteria correctly or that the Fund may gain limited exposure to issuers which may not be consistent with the relevant ESG criteria used by the Fund.

4. **Risk associated with Investing in Companies with Circular Economy Concept**

There is a lack of standardised taxonomy on Circular Economy concept or sectors. The evaluation methodology adopted by different investment managers may vary. In respect of the Fund which invests in companies with Circular Economy concept, the assessment as to whether an issuer aligns with a Circular Economy concept involves the Investment Adviser's subjective judgment. In addition, due to the criteria applied during stock selection to meet the definition of Circular Economy, the range of companies the Fund can invest in may be less diversified than a typical fund. Circular Economy companies may be subject to environmental concerns, taxes, government regulation, price and supply changes and competition.

5. **Limited Market Sectors Risks**

The Fund's investments are concentrated in companies that benefit from or contribute to the advancement of the circular economy concept. This may subject the Fund to greater volatility and more rapid cyclical changes than more broad-based investments.

6. **Currency Risks**

The Fund may invest in assets denominated in a currency other than the base currency of the Fund. Also, a class of shares may be designated in a currency other than the base currency of the Fund. Changes in exchange rates between such currency and the base currency and changes in exchange rate controls may adversely affect the value of the Fund's assets.

7. **Emerging Market Risks**

Investment in emerging markets may be subject to a higher than average volatility than more developed markets due to greater political, tax, sustainability related, economic, social, and foreign exchange risks.

The size and trading volume of securities markets in emerging markets may be substantially smaller than developed markets. This may subject the Fund to higher liquidity and volatility risks.

Custody and registration of assets in emerging markets may be less reliable than in developed markets, which may subject the Fund to higher settlement risk.

The Fund may be subject to higher regulatory risks due to low level of regulation, enforcement of

regulations and monitoring of investors' activities in emerging markets.

8. **Derivatives Risks**

Risks associated with derivatives include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of a derivative can result in a loss significantly greater than the amount invested in the derivative by the Fund. In an adverse situation, if the use of derivatives for hedging and efficient portfolio management becomes ineffective, the Fund may suffer significant losses.

9. **Small/Mid Cap Companies Risks**

Many small/mid cap company stocks trade less frequently and in smaller volume, and may be subject to more abrupt or erratic price movements than stocks of large companies. The securities of small/mid cap companies may also be more sensitive to market changes than the securities of large companies.

10. **Liquidity Risks**

The size and trading volume of securities in the markets relevant to the Fund may be substantially smaller than developed markets. This may lead to investments in such securities becoming less liquid, making it difficult to dispose of them which may reduce the Fund's returns/lead to losses for investors.

11. **Currency Conversion Risk for Renminbi ("RMB") Denominated Classes**

The Fund offers RMB denominated share classes. RMB is currently not freely convertible and is subject to exchange controls and restrictions.

Under exceptional circumstances, payment of realisation proceeds and/or dividend payment (if any) in RMB may be delayed due to the exchange controls and restrictions applicable to RMB.

RMB is traded in both the onshore and offshore markets. While both onshore RMB ("CNY") and offshore RMB ("CNH") represent the same currency, they are traded in different and separate markets which operate independently. The Management Company will apply the CNH rate for currency conversion of RMB denominated share classes. Any divergence between CNH and CNY may adversely impact investors.

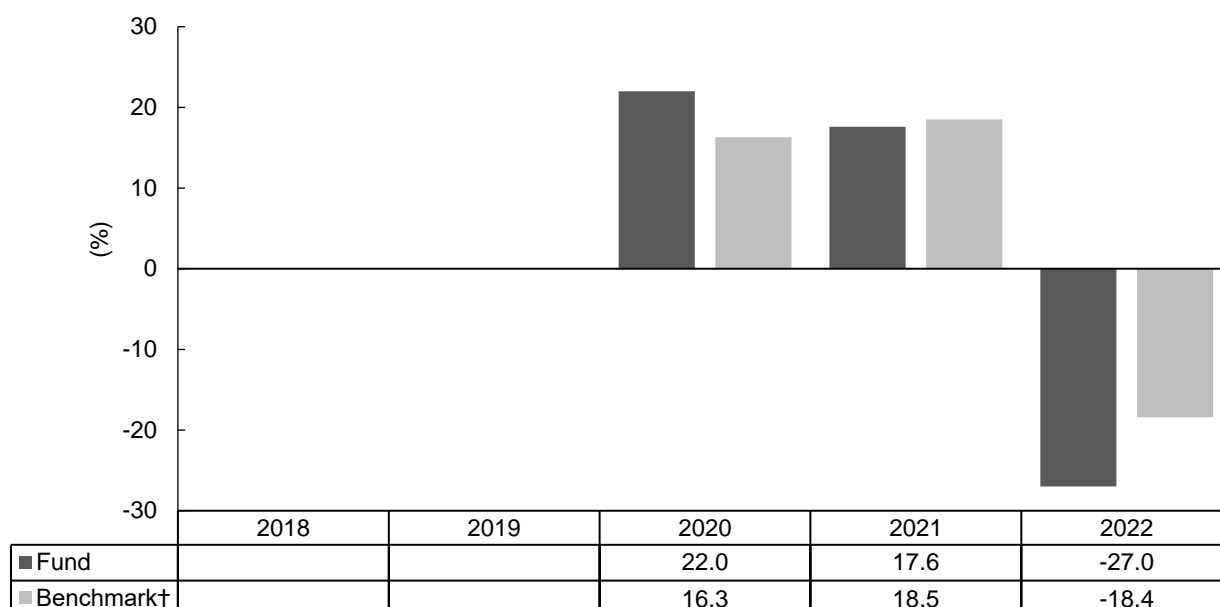
12. **Capital Growth Risks**

Risks associated with Fees and/or Dividends Paid Out of Capital

Any distributions involving payment of dividends out of capital (Class 10) or payment of dividends out of gross income (i.e. payment of fees and expenses out of capital) (Classes 5(G) and 10) amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Whilst all dividends paid result in an immediate reduction of the net asset value per share, these share classes may pay larger dividends (i.e. by paying dividends out of capital, gross income or interest rate differentials arising from share class currency hedging gains (if any)), which may therefore result in a larger reduction in the net asset value per share.

How has the fund performed?

Historic performance to 31 December 2022

**Notes:**

Past performance information is not indicative of future performance. You may not get back the full amount invested. The computation of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested expressed as a % change. These figures show by how much the share class increased or decreased in value during the calendar year shown. Performance data has been calculated in USD, including ongoing charges and taxes and excluding subscription and redemption fees, if applicable. The past performance information reflects the performance of the A2 base currency share class which the Investment Adviser views as the most appropriate representative share class. Please refer to the website www.blackrock.com/hk for performance information regarding other share classes. This website has not been reviewed by the SFC. Where no past performance is shown there was insufficient data available in that year to provide performance.

† The benchmark of the Fund is MSCI All Countries World Index.

Fund launch date: 2019

Share class launch date: 2019

Is there any guarantee?

This Fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Fund:

Fee	What you pay
Subscription Fee (Initial Charge)	Class A and Class D Shares: up to 5% of the price of shares
Switching Fee (Conversion Charge)	Nil [^] , except a delayed Initial Charge of up to 5% of the price of Class A or Class D Shares may be payable upon switching newly acquired Shares in a Reserve Fund into this Fund
Redemption Fee	Nil [^]
Contingent Deferred Sales Charge	Class A and Class D Shares: Nil

[^] A 2% charge on redemptions/conversions may be levied where excessive trading by a shareholder is suspected.

Ongoing fees payable by the Fund

The following expenses paid by the Fund affect you because they reduce the return on your investments:

Fee	Annual rate
Management Fee	1.50% of the net asset value of the relevant Class A Shares* 0.68% of the net asset value of the relevant Class D Shares*
Depositary Fees[#]	Safekeeping fees: 0.0024% to 0.45% of the value of the securities Transactional fees: US\$5.5 to US\$124 per transaction
Performance Fee	Nil

Annual Service Charge	Up to 0.25% of the net asset value of the relevant share class*
Distribution Fee	Class A and Class D Shares: Nil
<p>* May be increased to a combined 2.25% maximum upon giving three months' prior notice to shareholders</p> <p># Subject to change without prior notice</p>	
<p>Other fees</p> <p>You may have to pay other fees and charges when dealing in the shares of the Fund.</p>	
<p>Additional Information</p> <ul style="list-style-type: none"> ▶ You generally buy and redeem shares at the Fund's next-determined price as long as the Hong Kong Representative or the Transfer Agent receives your request in good order before the 6:00p.m. cut-off (HK time). Please check whether your distributor has an internal cut-off time which is earlier than this. ▶ The net asset value of the Fund is calculated daily. Prices of shares are published each business day on www.blackrock.com/hk. This website has not been reviewed by SFC. ▶ The updated list of currently available shares is available from the Hong Kong Representative. ▶ The composition of the latest dividends (i.e. relative amounts paid from (i) net distributable income and (ii) capital) for the last 12 months are available from the Hong Kong Representative upon request and on www.blackrock.com/hk. This website has not been reviewed by the SFC. 	
<p>Important</p> <p>If you are in doubt, you should seek professional advice.</p> <p>The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.</p>	