

**iShares (DE) I Investmentaktiengesellschaft mit
Teilgesellschaftsvermögen**



Management report and annual financial statements as at 28 February 2018

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Notice

The sub-funds named in this report are governed by German law. Fund units are bought on the basis of the currently valid prospectus, the Articles of Incorporation, and the terms of investment, supplemented by the most recent annual report concerned and also by the semi-annual report if such a report later than the last annual report exists.

The financial statements were drawn up in German and translated into English and where necessary into other languages.

Only the German version is legally binding.

Note on Licences

Legal information

The German iShares funds mentioned in this document are investment funds subject to the German Investment Code. These funds are managed by BlackRock Asset Management Deutschland AG and are regulated by the Federal Financial Supervisory Authority (BaFin).

For investors in Germany

The sales prospectuses of the funds issued in Germany are available free of charge electronically and in hard copy from BlackRock Asset Management Deutschland AG, Lenbachplatz 1, 80333 Munich, Germany, Tel.: +49 (0) 89 42729 – 5858, Fax: +49 (0) 89 42729 – 5958, info@iShares.de.

Risk warnings

The value of investments in all the iShares funds may fluctuate, and investors may not get back the amount invested. Past performance may not be repeated and is no guarantee of future returns. Investment risks from market and currency losses as well as high volatility and concentration risk cannot be excluded.

Index – Disclaimers of liability

'STOXX' is a trademark and/or service mark of STOXX Limited and was licensed to BlackRock Asset Management Deutschland AG for specific purposes. The sub-funds iShares STOXX Global Select Dividend 100 UCITS ETF (DE), iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE), iShares STOXX Europe 600 Banks UCITS ETF (DE), iShares STOXX Europe 600 Basic Resources UCITS ETF (DE), iShares STOXX Europe 600 Chemicals UCITS ETF (DE), iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE), iShares STOXX Europe 600 Financial Services UCITS ETF (DE), iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE), iShares STOXX Europe 600 Health Care UCITS ETF (DE), iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE), iShares STOXX Europe 600 Insurance UCITS ETF (DE), iShares STOXX Europe 600 Media UCITS ETF (DE), iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE), iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE), iShares STOXX Europe 600 Real Estate UCITS ETF (DE), iShares STOXX Europe 600 Retail UCITS ETF (DE), iShares STOXX Europe 600 Technology UCITS ETF (DE), iShares STOXX Europe 600 Telecommunications UCITS ETF (DE), iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) and iShares STOXX Europe 600 Utilities UCITS ETF (DE) based on STOXX® Global Select Dividend 100, STOXX® Europe 600 Automobiles & Parts, STOXX® Europe 600 Banks, STOXX® Europe 600 Basic Resources, STOXX® Europe 600 Chemicals, STOXX® Europe 600 Construction & Materials, STOXX® Europe 600 Financial Services, STOXX® Europe 600 Food & Beverage, STOXX® Europe 600 Health Care, STOXX® Europe 600 Industrial Goods & Services, STOXX® Europe 600 Insurance, STOXX® Europe 600 Media, STOXX® Europe 600 Oil & Gas, STOXX® Europe 600 Personal & Household Goods, STOXX® Europe 600 Real Estate, STOXX® Europe 600 Retail, STOXX® Europe 600 Technology, STOXX® Europe 600 Telecommunications, STOXX® Europe 600 Travel & Leisure and STOXX® Europe 600 Utilities are not sponsored, supported, sold or promoted by STOXX®, nor does STOXX® make any representations as to the advisability of trading in this/these product(s).

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Additional Information for Investors in Austria, Denmark, Sweden, the United Kingdom, France, Belgium, Czech Republic and Switzerland

The sales prospectuses, including investment terms and conditions, financial statements and semi-annual reports can be obtained, without charge, from the relevant paying agent and distributor.

Paying Agent and Distributor in Austria:

UniCredit Bank Austria AG
Schottengasse 6-8
1010 Vienna, Austria

Tax Representative in Austria:

Ernst & Young
Wagramer Str. 19
1220 Vienna, Austria

Distributor in Denmark:

BlackRock Copenhagen branch, a branch of BlackRock Investment Management (UK) Limited, England
Harbour House
Sundkrogsgade 21
2100 Copenhagen
Denmark

Distributor in Sweden:

BlackRock Investment Management (UK) Limited, Stockholm branch
Norrandsgatan 16
11143 Stockholm
Sweden

Facility Agent in the UK:

BlackRock Advisors (UK) Limited
12 Throgmorton Avenue
London EC2N 2DL
United Kingdom

Paying Agent and Distributor in France:

BNP Paribas Securities Services
20, BD. des Italiens
75009 Paris, France

Paying Agent and Distributor in Belgium:

RBC Investor Services Belgium S.A.
11, Place Rogier
B-1210 Brussels, Belgium

Contact Bank in the Czech Republic:

UniCredit Bank Czech Republic and Slovakia, a.s.
Prague 4 – Michle, Zeletavská 1525/1
140 92 Prague

Paying Agent in Switzerland:

State Street Bank International GmbH, Munich, Zurich branch
Beethovenstraße 19
8027 Zurich, Switzerland

Representative in Switzerland:

BlackRock Asset Management Schweiz AG
Bahnhofstrasse 39
8001 Zurich, Switzerland

The prospectus, key investor information documents (KIIDs), investment conditions/articles of incorporation and the annual and semi-annual reports of the fund can be obtained free of charge on request from the representative of the fund in Switzerland. This also applies to the list of purchases/sales.

Additional information for investors in countries outside Germany:

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +15.06%
31/12/2015 – 31/12/2016: -1.53%
31/12/2016 – 31/12/2017: +16.19%

iShares STOXX Europe 600 Banks UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +0.38%
31/12/2015 – 31/12/2016: -3.07%
31/12/2016 – 31/12/2017: +11.84%

iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: -31.88%
31/12/2015 – 31/12/2016: +65.13%
31/12/2016 – 31/12/2017: +22.60%

iShares STOXX Europe 600 Chemicals UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +7.42%
31/12/2015 – 31/12/2016: +6.08%
31/12/2016 – 31/12/2017: +12.60%

iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +19.96%
31/12/2015 – 31/12/2016: +12.30%
31/12/2016 – 31/12/2017: +10.37%

iShares STOXX Europe 600 Financial Services UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +22.68%
31/12/2015 – 31/12/2016: -4.57%
31/12/2016 – 31/12/2017: +20.23%

iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +20.97%
31/12/2015 – 31/12/2016: -4.33%
31/12/2016 – 31/12/2017: +12.57%

iShares STOXX Europe 600 Health Care UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +17.81%
31/12/2015 – 31/12/2016: -8.51%
31/12/2016 – 31/12/2017: +4.01%

iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +9.10%
31/12/2015 – 31/12/2016: +10.58%
31/12/2016 – 31/12/2017: +16.87%

iShares STOXX Europe 600 Insurance UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +18.88%
31/12/2015 – 31/12/2016: -1.47%
31/12/2016 – 31/12/2017: +11.02%

iShares STOXX Europe 600 Media UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +16.16%
31/12/2015 – 31/12/2016: -4.51%
31/12/2016 – 31/12/2017: -0.20%

iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: -2.94%
31/12/2015 – 31/12/2016: +28.52%
31/12/2016 – 31/12/2017: +1.93%

iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +23.01%
31/12/2015 – 31/12/2016: +3.63%
31/12/2016 – 31/12/2017: +11.66%

iShares STOXX Europe 600 Real Estate UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +15.86%
31/12/2015 – 31/12/2016: -5.66%
31/12/2016 – 31/12/2017: +10.36%

iShares STOXX Europe 600 Retail UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +12.14%
31/12/2015 – 31/12/2016: -5.21%
31/12/2016 – 31/12/2017: -1.02%

iShares STOXX Europe 600 Technology UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +16.08%
31/12/2015 – 31/12/2016: +4.97%
31/12/2016 – 31/12/2017: +20.46%

iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +12.76%
31/12/2015 – 31/12/2016: -12.12%
31/12/2016 – 31/12/2017: +0.07%

iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +23.24%
31/12/2015 – 31/12/2016: -9.90%
31/12/2016 – 31/12/2017: +15.28%

iShares STOXX Europe 600 Utilities UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +1.10%

31/12/2015 – 31/12/2016: -5.26%

31/12/2016 – 31/12/2017: +9.84%

iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

Performance of the fund in the last three calendar years:

31/12/2014 – 31/12/2015: +3.95%

31/12/2015 – 31/12/2016: +13.03%

31/12/2016 – 31/12/2017: +2.76%

Management Report to the Annual Financial Statements as at 28/02/2018

1. General provisions

iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen ("iShares (DE) I") is an investment fund in the form of an externally-managed investment stock corporation with variable capital as defined by Section 108 Paragraph 1 in conjunction with Section 1 Paragraph 13 of the German Investment Code (Kapitalanlagegesetzbuch – KAGB). It was incorporated on 13 October 2008 for an unlimited duration in the form of an umbrella fund. The initial shareholders' capital of the investment stock corporation is divided into 3,000 company shares, exclusively held by BlackRock Asset Management Deutschland AG ("BAMDE"). The Group parent company of all BlackRock companies is BlackRock Inc., New York, USA.

1.1. Business activities

The object of the Company is to invest and manage its own funds for the benefit of the shareholders, in accordance with a fixed investment strategy and the principle of risk diversification for collective investment, in accordance with Sections 162 to 213 of the German Investment Code (Kapitalanlagegesetzbuch – "KAGB"), and with the respectively applicable Investment Conditions.

iShares (DE) I is structured as an investment stock company (Investmentaktiengesellschaft) in the form of an umbrella construction. Since its formation on 13/10/2008 up to 28/02/2018, iShares (DE) I has set up twenty-one sub-funds. These are the founding sub-fund iShares I Founder Shares and twenty other sub-funds authorised for distribution.

The share capital contained in the iShares I Founder Shares sub-fund was, as of the key date 28/02/2018, invested in five of the Group's own investment fund units, in order to comply with the requirements of Section 206 (4) of the German Investment Code. The ordinary net income calculated in the reporting period will be reinvested in the SFC after the corresponding tax deduction, including solidarity surcharge, at the end of the financial year.

The 20 sub-funds admitted for distribution focus on replicating individual segments of the capital market that are tracked in an index. The aim is to achieve a low tracking error by replicating the index as closely as possible.

State Street Bank International GmbH, Munich was appointed as custodian bank under the terms of a custodian bank agreement.

1.2. Third-party management agreement

iShares (DE) I has appointed BAMDE as an external management company as defined in Section 112 Para. 1 KAGB. Under the third-party management agreement concluded with BAMDE, the external management company is responsible for the investment and administration of the Company's funds and for carrying out the general management activities of iShares (DE) I, including distribution. The third-party management agreement is for an indefinite period and may be terminated by either party with a notification period of 12 months to the end of each calendar month.

In accordance with this third-party management agreement, BAMDE may, in particular, take all the investment decisions and represent iShares (DE) I when buying or selling assets. BAMDE is also responsible for exercising voting rights. BAMDE will provide the necessary materials and staff to carry out the general management duties. The services provided by BAMDE include, in particular, finance, fund administration and controlling, legal and product governance, product development, public relations, marketing and distribution. BAMDE manages the sub-funds in line with the funds it manages itself.

The risk management system of iShares (DE) I, including the risk management of the sub-fund assets which has been transferred to BAMDE, has been correspondingly integrated into the risk management system of the Management Company. The risk management system of BAMDE ensures that the risks associated with the investment positions as well as their respective effect on the entire risk profile for the Investment Stock Company can be monitored and measured at any time.

BAMDE receives a management fee from the respective sub-fund for its work under the third-party management agreement in accordance with the respective sub-fund's regulations on costs.

BAMDE's liability is limited to the fulfilment of its obligations under the third-party management agreement. In particular, BAMDE is not liable for performance or a desired investment result.

iShares (DE) I has not signed any outsourcing agreements. Under the third-party management agreement, BAMDE, as management company, may partially or completely outsource contractual services to external service providers. BAMDE outsourced fund administration, inter alia, to State Street Bank International GmbH, Munich.

2. Economic report

2.1. Development of the sector and overall economy

The German economy grew at a high rate of economic growth in 2017. Over the year, economic output (GDP) in Germany rose by around 2.2 %, thus exceeding the previous year's growth and the average score for the last ten years. As a result, overall economic expansion has once again intensified following the already strong growth of 1.9% in the previous year. This was mainly due to a noticeable recovery of the global economy, which allowed export activities of German industrial companies to flourish on a broad scale. Last but not least, in view of the favourable employment and income prospects, private consumption also remained an important pillar of the strong and broad-based economic upswing in 2017. In comparison to the previous year, national consumer prices increased by +1.6 %. For the global equity and bond markets, the year was characterised by stable conditions, with yields remaining low on a long-term basis.

The international stock markets have made a strong start to 2017. As the year progressed, financial markets remained stable, driven by continued robust economic development. As a result, key indices in the USA, Europe and Japan ended 2017 with record figures. With an increase of 31.52%, the NASDAQ 100 performed the best, followed by the S&P 500 with an increase of 19.42%. In Germany, the DAX ended the year with 12.51 % growth, while in Japan the Nikkei 225 rose by 19.10 %. The US dollar depreciated against the euro over the year from USD 1.0465/EUR to USD 1.1993/EUR, while the oil price (WTI) rose from USD 53.95 to USD 60.42.

The German investment sector continued to grow in 2017. The assets managed by them amounted to EUR 3 trillion as at 31 December 2017 (previous year: EUR 2.8 trillion). This corresponds to an increase of around EUR 955 billion over the last five years. Of total net assets, special funds amounted to EUR 1.59 trillion. Equity funds, bond funds and mixed funds were particularly in demand among mutual funds. These funds recorded inflows in the amount of EUR 68.6 billion.

In year 2017, the European market for ETPs and ETFs continued to develop dynamically. iShares in particular benefited from this trend. In 2017, iShares accounted for the highest share of inflows into ETFs in the EMEA region.¹ In 2017, iShares achieved net inflows across the entire EMEA region of approx. USD 40.9 billion, or EUR 34.1 billion² (previous year: USD 31.9 billion, or EUR 26.6 billion). Exchange-traded funds (ETFs) have now become an important part of Germany's investment funds industry. At the end of the 2018 financial year, the investment volume of the 20 iShares ETFs launched and managed by iShares (DE) I in Germany was around EUR 6.2 billion. The iShares STOXX Global Select Dividend 100 UCITS ETF (DE) is the largest publicly traded fund launched and managed by iShares (DE) I with a volume of EUR 1.2 billion (as at end of February 2018). The iShares EURO STOXX 50 UCITS ETF (DE) is the largest mutual fund launched and managed by BAMDE, with a volume of EUR 9.4 billion (as at the end of February 2018).

2.2. Company's fund assets and net inflow of funds

In the previous year's management report, we forecasted a rise in the assets under management for 2017 of at least EUR 100 million. The assets managed by iShares (DE) I³ recorded an increase of EUR 0.90 billion during the reporting period. The increase in managed funds is not only due to market performance, but also to significant net inflows. As such, assets under management in the 20 sub-funds of iShares (DE) I as at 28/02/2018 totalled EUR 6.15 billion (previous status as at 28/02/2017: EUR 5.25 billion).

3. The Company's Situation

3.1. Presentation of the sub-funds

The Directive-compliant iShares I Founder Shares founding sub-fund comprises the initial capital of its founder BAMDE and is allocated to investment assets. The initial shareholders' capital amounted to EUR 300,000 divided into 3,000 registered company shares, which exclusively represent rights to the sub-fund iShares I Founder Shares. Each company share gives one vote in the Annual General Meeting and is issued as a non-par value share. All of the 3,000 iShares I Founder Shares with a value of EUR 300,592.45 as at 28/02/2018 are held by BlackRock Asset Management Deutschland AG. In accordance with the investment conditions, the management company receives an annual management fee of 0.09% based on the sub-fund's net asset value determined on each exchange trading day. The "iShares Founder Shares" sub-fund generated ordinary net income of EUR -108.73 in the reporting period.

The twenty iShares (DE) I sub-funds admitted for distribution are fully replicating, distributing, open-ended ETFs. For managing these sub-funds, BAMDE, as management company, receives from the assets of these sub-funds a flat fee of 0.45 % per annum based on the net asset value of the sub-fund determined each exchange trading day.

The number of non-voting investment shares and the total volume as at 28/02/2018, the ordinary net income and the cash distribution during the financial year from 01/03/2017 through 28/02/2018 of the sub-funds admitted for distribution are as follows:

SUB-FUND	Number of investment shares	Total volume in EUR 28/02/2018	Ordinary net income in EUR 28/02/2018	Cash distribution in EUR 28/02/2018
iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)	3,380,000	200,552,251.75	5,736,519.24	2.47
iShares STOXX Europe 600 Banks UCITS ETF (DE)	54,750,000	1,006,659,542.74	28,580,864.89	0.71
iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)	9,850,000	466,609,815.41	8,933,646.95	0.75
iShares STOXX Europe 600 Chemicals UCITS ETF (DE)	925,000	85,537,795.03	1,959,923.16	1.99
iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)	1,940,000	86,264,335.15	1,871,686.82	0.92
iShares STOXX Europe 600 Financial Services UCITS ETF (DE)	1,320,000	63,435,213.20	1,151,904.47	0.75
iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)	3,100,000	193,401,245.39	4,137,195.22	1.25
iShares STOXX Europe 600 Health Care UCITS ETF (DE)	6,950,000	475,276,093.13	13,893,549.47	2.02
iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)	2,950,000	156,205,389.64	2,321,573.53	0.91
iShares STOXX Europe 600 Insurance UCITS ETF (DE)	9,800,000	286,711,400.75	6,762,145.61	0.77
iShares STOXX Europe 600 Media UCITS ETF (DE)	420,000	10,792,198.50	306,304.37	1.78
iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)	28,050,000	862,729,358.14	33,666,081.95	1.09
iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)	1,050,000	79,043,058.07	4,684,883.76	4.41
iShares STOXX Europe 600 Real Estate UCITS ETF (DE)	4,900,000	82,878,778.98	1,866,812.36	0.43
iShares STOXX Europe 600 Retail UCITS ETF (DE)	800,000	23,262,341.15	391,050.91	0.47
iShares STOXX Europe 600 Technology UCITS ETF (DE)	2,700,000	115,309,944.49	459,709.68	0.26
iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)	16,850,000	390,330,661.64	12,553,825.05	2.31
iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)	1,150,000	28,325,657.25	979,355.60	0.84
iShares STOXX Europe 600 Utilities UCITS ETF (DE)	13,350,000	354,333,346.34	17,596,240.60	1.33
iShares STOXX Global Select Dividend 100 UCITS ETF (DE)	44,750,000	1,186,242,307.27	59,131,818.42	1.19

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Automobiles & Parts Index as closely as possible. The index replicates the companies in the European automobile manufacturers and suppliers sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.999 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Pirelli & C. S.p.A. Azioni nom. o.N.	IT0005278236

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Automobiles & Parts Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Banks UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Banks UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Banks Index as closely as possible. The index replicates the companies in the European banking sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.999 % at the end of the reporting period. Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Banks UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Fincobank Banca Fineco S.p.A. Azioni nom. EO 0.33	IT0000072170
Metro Bank PLC Registered Shares LS 0.000001	GB00BZ6STL67
Allied Irish Banks PLC Registered Shares -.625	IE00BYSZ9G33
Close Brothers Group PLC Registered Shares LS -.25	GB0007668071

Removals	
Bco Pop. Esp. SA (POPULARBAN) Acciones Nom. EO -.50	ES0113790226

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Banks Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Basic Resources Index as closely as possible. The index replicates the companies in the European basic resources sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 100.000 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Aurubis AG Inhaber-Aktien o.N.	DE0006766504
Svenska Cellulosa AB Namn-Aktier B (fria) SK 10	SE0000112724

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Basic Resources Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Chemicals UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Chemicals UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Chemicals Index as closely as possible. The index replicates the companies in the European chemical industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.998 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Chemicals UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Linde AG z.Umtausch eing.Inhaber-Aktien	DE000A2E4L75
Wacker Chemie AG Inhaber-Aktien o.N.	DE000WCH8881

Removals	
Bayer AG Namens-Aktien o.N.	DE000BAY0017
Linde AG Inhaber-Aktien o.N.	DE0006483001
Syngenta AG Nam.-Aktien SF 0.10	CH0011037469

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Chemicals Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Construction & Materials Index as closely as possible. The index replicates the companies in the European construction and building materials sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.998 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

Removals	
NCC AB Namn-Aktier B (fria) SK 8	SE0000117970

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Construction & Materials Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Financial Services UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Financial Services UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Financial Services Index as closely as possible. The index replicates the companies in the European financial industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.206 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Financial Services UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
TP ICAP PLC Registered Shares LS 0.25	GB00B1H0DZ51
Amundi S.A. Actions au Porteur EO 2.5	FR0004125920
Deutsche Börse AG Namens-Aktien o.N.	DE0005810055
Standard Life Aberdeen PLC Registered Shares LS -.1222222	GB00BVF7D7Q58

Removals	
Close Brothers Group PLC Registered Shares LS -.25	GB0007668071
Deutsche Börse AG z.Umtausch eing.Namens-Aktien	DE000A2AA253
Provident Financial PLC Registered Shs LS 0.17868339	GB00B1Z4ST84
Aberdeen Asset Management PLC Registered Shares LS 0.10	GB0000031285
Janus Henderson Gr. Registered Shares DL-.15	JE00B3CM9527

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Financial Services Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Food & Beverage Index as closely as possible. The index replicates the companies in the European food and beverages industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.985 % at the end of the reporting period. Inflows during the reporting period were also invested in line with the weighting of the shares in the index. Dividends are accumulated in the fund. The fund may enter into securities lending transactions. The sub-fund iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Rémy Cointreau S.A. Actions au Porteur EO 1.60	FR0000130395

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Food & Beverage Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Health Care UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Health Care UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Health Care Index as closely as possible. The index replicates the companies in the European healthcare sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 100.000 % at the end of the reporting period. Inflows during the reporting period were also invested in line with the weighting of the shares in the index. Dividends are accumulated in the fund. The fund may enter into securities lending transactions. The sub-fund iShares STOXX Europe 600 Health Care UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Koninklijke Philips N.V. Aandelen aan toonder EO 0.20	NL0000009538
NMC HEALTH PLC Registered Shares LS -.10	GB00B7FC0762
Ablynx NV Actions au Port. o.N.	BE0003877942
UDG Healthcare PLC Registered Shares EO -.05	IE0033024807
Bayer AG Namens-Aktien o.N.	DE000BAY0017
ConvaTec Group PLC Registered Shares WI LS -.10	GB00BD3VFW73
Vifor Pharma AG Nam.-Akt. SF 0.01	CH0364749348
bioMerieux Actions au Porteur (P.S.) o.N.	FR0010096479

Removals	
Hikma Pharmaceuticals PLC Registered Shares LS 0.10	GB00B0LCW083
Actelion Ltd. Nam.-Aktien SF 0.50	CH0010532478

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Health Care Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into. The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system. Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited. Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks. If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks. With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Industrial Goods & Services Index as closely as possible. The index replicates the companies in the European industrial goods and services industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.873 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Electrocomponents PLC Registered Shares LS 0.10	GB0003096442
Philips Lighting N.V. Registered Shares EO -.01	NL0011821392
Spie S.A. Actions Nom. EO 0.47	FR0012757854
Homeserve PLC Reg. Sh. LS -.0269230769	GB00BYTTFB60
Konecranes Oyj Registered Shares o.N.	FI0009005870
VAT Group AG Namens-Aktien SF -.10	CH0311864901
Elis S.A. Actions au Porteur EO 1.-	FR0012435121
Loomis AB Namn-Aktier Series B o.N.	SE0002683557

Removals	
Berendsen PLC Registered Shares LS 0.30	GB00B0F99717
Ultra Electronics Hldgs PLC Registered Shares LS 0.05	GB0009123323
Essentra PLC Registered Shares LS 0.25	GB00B0744359
Koninklijke Philips N.V. Aandelen aan toonder EO 0.20	NL0000009538
Bilfinger SE Inhaber-Aktien o.N.	DE0005909006
Qinetiq Group PLC Registered Shares LS -.01	GB00B0WMWD03
AA PLC Registered Shares LS -.001	GB00BMSKPJ95
PostNL N.V. Aandelen aan toonder EO 0.08	NL0009739416
Nets A/S Ihændehaver-Aktier DK1	DK0060745370
Worldpay Group Plc Registered Shares LS 1	GB00BYYK2V80
Paysafe Group PLC Registered Shares LS 0.01	GB0034264548
WS Atkins PLC Registered Shares LS -.005	GB0000608009
Fingerprint Cards AB Namn-Aktier B SK -.04	SE0008374250

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Industrial Goods & Services Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach.

Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Insurance UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Insurance UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Insurance Index as closely as possible. The index replicates the companies in the European insurance industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.997 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Insurance UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
ASR Nederland N.V. Aandelen op naam EO -.16	NL0011872643

Removals	
Topdanmark AS Navne-Aktier DK 1	DK0060477503
Delta Lloyd N.V. Aandelen op naam EO -.20	NL0009294552
UnipolSai Assicurazioni S.p.A. Azioni nom. o.N.	IT0004827447
Standard Life Aberdeen PLC Registered Shares LS -.1222222	GB00BVF7D7Q58

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Insurance Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Media UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Media UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Media Index as closely as possible. The index replicates the companies in the European media industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.988 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Media UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

Removals	
Technicolor S.A. Actions Port. EO 1	FR0010918292
SFR Group S.A. Actions Nom. EO 1	FR0011594233
Mediaset S.p.A. Azioni nom. EO 0.52	IT0001063210
Mediaset España Comunicacion Acciones Nom. EO -,50	ES0152503035

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Media Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Oil & Gas Index as closely as possible. The index replicates the companies in the European oil and gas sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 100.000 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
TGS Nopec Geophysical Co. ASA Navne-Aksjer NK 0.25	NO0003078800
Removals	
Petrofac Ltd. Registered Shares DL -.02	GB00B0H2K534
Amec Foster Wheeler PLC Registered Shares LS -.50	GB0000282623

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Oil & Gas Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Personal & Household Goods Index as closely as possible. The index replicates the companies in the European personal and household goods sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.997 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Essity AB Namn-Aktier B	SE0009922164

Removals	
Svenska Cellulosa AB Namn-Aktier B (fria) SK 10	SE0000112724

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Personal & Household Goods Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach.

Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

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Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Real Estate UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Real Estate UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Real Estate Index as closely as possible. The index replicates the companies in the European real estate sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.998 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Real Estate UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Aroundtown SA Inhaber-Aktien EO -.01	LU1673108939

Removals	
Wereldhave N.V. Aandelen aan toonder EO 1	NL0000289213
Immofinanz AG Inhaber-Aktien o.N.	AT0000809058
Deutsche EuroShop AG Namens-Aktien o.N.	DE0007480204
JM AB Namn-Aktier o.N.	SE0000806994

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Real Estate Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Retail UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Retail UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Retail Index as closely as possible. The index replicates the companies in the European retail industry from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.990 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Retail UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Delivery Hero AG Namens-Aktien o.N.	DE000A2E4K43
METRO AG Inhaber-Stammaktien o.N.	DE000BFB0019

Removals	
Vifor Pharma AG Nam.-Akt. SF 0.01	CH0364749348
CECONOMY AG Inhaber-Stammaktien o.N.	DE0007257503

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Retail Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Technology UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Technology UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Technology Index as closely as possible. The index replicates the companies in the European technology sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.997 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Technology UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Scout24 AG Namens-Aktien o.N.	DE000A12DM80
BE Semiconductor Inds N.V. Aandelen op Naam EO -.01	NL0000339760
Siltronic AG Namens-Aktien o.N.	DE000WAF3001
Altran Technologies S.A. Actions Port. EO 0.50	FR0000034639
Sopra Steria Group S.A. Actions Port. EO 1	FR0000050809

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Technology Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Telecommunications Index as closely as possible. The index replicates the companies in the European telecommunications sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.999 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
SFR Group S.A. Actions Nom. EO 1	FR0011594233
1&1 Drillisch AG Inhaber-Aktien o.N.	DE0005545503

Removals	
SFR Group S.A. Actions Nom. EO 1	FR0011594233

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Telecommunications Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Travel & Leisure Index as closely as possible. The index replicates the companies in the European travel and leisure sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 100.000 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares. Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Ladbroke's Coral Group PLC Registered Shares LS 0.28333	GB00B0ZSH635
SSP Group PLC Registered Shares (WI) LS 0.01	GB00BNGWY422
Air France-KLM S.A. Actions Port. EO 1	FR0000031122

Removals	
Firstgroup PLC Registered Shares LS 0.05	GB0003452173
Domino's Pizza Group PLC Registered Shares LS -.00520833	GB00BYN59130

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Travel & Leisure Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Europe 600 Utilities UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Europe 600 Utilities UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks the performance of the STOXX® Europe 600 Utilities Index as closely as possible. The index replicates the companies in the European energy supply sector from the cross-sector STOXX® Europe 600 Index. This index, in turn, replicates large, mid and small-cap companies in 18 developed economies of Europe. The product represents market capitalisation based on the current share price and the total number of shares of a company. To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.565 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Europe 600 Utilities UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Removals	
Drax Group PLC Registered Shares LS -.1155172	GB00B1VNSX38

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Europe 600 Utilities Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of European equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in European companies in the period under review. As the fund is denominated in euro, the currency risk is to be regarded as medium.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

Investment objectives and policies

The iShares STOXX Global Select Dividend 100 UCITS ETF (DE) sub-fund is comparable to an exchange-traded index fund (ETF) that tracks as closely as possible the performance of the STOXX® Global Select Dividend 100 Index. This index provides access to 100 high-dividend equities in the Dow Jones STOXX® Global 1800 Index.

To replicate the index, the sub-fund invests directly in securities in the index under a passive investment approach.

Structure of the sub-fund with regard to investment objectives and significant changes during the reporting period.

The duplication percentage of the fund in comparison with the benchmark index was 99.836 % at the end of the reporting period.

Inflows during the reporting period were also invested in line with the weighting of the shares in the index.

Dividends are accumulated in the fund. The fund may enter into securities lending transactions.

The sub-fund iShares STOXX Global Select Dividend 100 UCITS ETF (DE) is a distributing fund. Income is distributed after expenses have been offset in the course of interim distributions or, as the case may be, six weeks after the end of the financial year. The realised profits and losses are primarily the result of transactions involving equities that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

Changes to the index published by the index provider were directly taken into account in the fund.

New inclusions	
Telstra Corp. Ltd. Registered Shares o.N.	AU000000TLS2
EasyJet PLC Registered Shares LS 0.27285714	GB00B7KR2P84
Casino,Guichard-Perrachon S.A. Actions Port. EO 1.53	FR0000125585
Assicurazioni Generali S.p.A. Azioni nom. EO 1	IT0000062072
Aozora Bank Ltd. Registered Shares o.N.	JP3711200000
Ford Motor Co. Registered Shares DL 0.01	US3453708600
L Brands Inc. Registered Shares DL 0.50	US5017971046
Valero Energy Corp. Registered Shares DL 0.01	US91913Y1001
Target Corp. Registered Shares DL 0.0833	US87612E1064
Intesa Sanpaolo S.p.A. Azioni Port.Risp.Non Cnv.EO -52	IT0000072626
PG & E Corp. Registered Shares o.N.	US69331C1080
Intl Business Machines Corp. Registered Shares DL -.20	US4592001014
Lyondellbasell Industries NV Registered Shares A EO -.04	NL0009434992

Removals	
Pearson PLC Registered Shares LS 0.25	GB0006776081
Carillion PLC Registered Shares LS 0.50	GB0007365546
BB Biotech AG Namens-Aktien SF 0.20	CH0038389992
Chevron Corp. Registered Shares DL-.75	US1667641005
Entergy Corp. Registered Shares DL -.01	US29364G1031
FirstEnergy Corp. Registered Shares DL 10	US3379321074
Helmerich & Payne Inc. Registered Shares DL -.10	US4234521015
Sky Network Television Ltd. Registered Shares o.N.	NZSKTE0001S6
Tokai Tokyo Finl Holdings Inc. Registered Shares o.N.	JP3577600004
EasyJet PLC Registered Shares LS 0.27285714	GB00B7KR2P84
Mosaic Co., The Registered Shares DL -.01	US61945C1036
PG & E Corp. Registered Shares o.N.	US69331C1080
Reynolds American Inc. Registered Shares o.N.	US7617131062

Material risks and events in the reporting period

Market price risk

In order to achieve the investment objective of tracking the performance of the STOXX® Global Select Dividend 100 Index as closely as possible in the period under review, fund management pursued an exclusively passive investment approach. Accordingly, as part of the fund management activities affecting this sub-fund, no risks were actively managed or entered into.

The sub-fund was subject to the general and specific market price risk arising from individual stocks in the period under review. Throughout the period under review, the sub-fund implemented the sector and stock diversification within the investment universe of global equities prescribed by the provider of the index. This meant that the sub-fund was subject to a high absolute market price risk.

Currency risk

As prescribed by the index, the sub-fund invested in the period under review in global companies. As the fund is denominated in euro, the currency risk is to be regarded as high.

Liquidity risk

The assets held in the sub-fund were liquid at all times, so that the liquidity risk can be regarded as low.

Operational risk

Operational risks for the sub-fund are managed using BlackRock Asset Management Deutschland AG's risk management system.

Business areas and processes that are relevant to this sub-fund and which are outsourced by BlackRock Asset Management Deutschland AG to an external company are subject to an outsourcing controlling process within BlackRock Asset Management Deutschland AG. This includes the outsourcing of fund accounting to State Street Bank International GmbH, Munich, as well as the intragroup outsourcing of the trade management process to BlackRock Investment Management (UK) Limited.

Processes that are material to this sub-fund and their related operational risks are subject to a process of regularly identifying, analysing and monitoring operational risks.

If operational risks materialise, these events are recorded immediately in a risk database for appropriate documentation and analysis, and steps are initiated and taken to minimise the operational risks.

With events that affect the sub-fund, the third-party management company generally compensates for any losses incurred.

3.2. Financial position

The Company's assets as at 28/02/2018 consist exclusively of investment assets. The shareholders' capital of the iShares I Founder Shares sub-fund amounted to €300,592.45 as at the financial year-end (previous year: €303,722.33). The company shares with voting rights therefore represent 0.01% of the total assets of iShares (DE) I.

The share capital of each sub-fund on the balance sheet date is as follows:

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)	EUR 200,552,251.75	(previous	€213,747,395.53)
iShares STOXX Europe 600 Banks UCITS ETF (DE)	EUR 1,006,659,542.74	(previous	€568,931,355.54)
iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)	EUR 466,609,815.41	(previous	€368,031,290.89)
iShares STOXX Europe 600 Chemicals UCITS ETF (DE)	EUR 85,537,795.03	(previous	€116,596,870.67)
iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)	EUR 86,264,335.15	(previous	€96,760,971.07)
iShares STOXX Europe 600 Financial Services UCITS ETF (DE)	EUR 63,435,213.20	(previous	€17,905,074.60)
iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)	EUR 193,401,245.39	(previous	€180,082,204.35)
iShares STOXX Europe 600 Health Care UCITS ETF (DE)	EUR 475,276,093.13	(previous	€786,709,624.43)
iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)	EUR 156,205,389.64	(previous	€90,111,124.09)
iShares STOXX Europe 600 Insurance UCITS ETF (DE)	EUR 286,711,400.75	(previous	€154,736,981.49)
iShares STOXX Europe 600 Media UCITS ETF (DE)	EUR 10,792,198.50	(previous	€11,535,025.89)
iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)	EUR 862,729,358.14	(previous	€564,826,028.76)
iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)	EUR 79,043,058.07	(previous	€55,451,245.37)
iShares STOXX Europe 600 Real Estate UCITS ETF (DE)	EUR 82,878,778.98	(previous	€89,919,469.01)
iShares STOXX Europe 600 Retail UCITS ETF (DE)	EUR 23,262,341.15	(previous	€12,648,850.75)
iShares STOXX Europe 600 Technology UCITS ETF (DE)	EUR 115,309,944.49	(previous	€55,090,844.33)
iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)	EUR 390,330,661.64	(previous	€302,083,184.93)
iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)	EUR 28,325,657.25	(previous	€28,924,104.81)
iShares STOXX Europe 600 Utilities UCITS ETF (DE)	EUR 354,333,346.34	(previous	€326,334,850.46)
iShares STOXX Global Select Dividend 100 UCITS ETF (DE)	EUR 1,186,242,307.27	(previous	€1,210,628,934.25)

3.3. Results of operations

The major income components for the fund assets are dividends from domestic and foreign issuers, interest from investing liquidity, income from securities lending and securities repurchase agreements and other income from withholding tax refunds. After deducting the management fee and other expenses, net ordinary income from all sub-funds amounted to €206,984,983.33 (previous year: €248,032,025.86). After taking into account realised gains and losses on disposals, the realised net profit for the financial year amounted to EUR 328,605,336.90 (previous year: €207,593,890.71).

4. Subsequent Events

Significant events after the end of the reporting period that could have had a material influence on the net assets, financial situation and results of operations, have not occurred up to the preparation of this interim management report.

5. Forecast and opportunities report

5.1. Forecast for the Future Development of Results

The Managing Board of iShares (DE) I therefore also believes that an increase in assets under management of at least EUR 100 million is realistic for 2018. Synchronised economic growth in the Western industrial countries is likely to continue in 2018. Therefore, starting from the US, we expect a gradual normalisation of the interest rate policy of central banks, which is likely to increase volatility in interest rates, currencies and equity markets. The demand for transparent and daily tradable investment products which allow flexible positioning in all important markets and investment segments will continue to grow in 2018 against this background. In January 2018, BlackRock announced its intention to merge its German-domiciled iShares ETF fund range with the Irish-domiciled fund range. Due to concerns of various investor groups, the Management Board decided in March 2018 not to carry out any fund mergers.

5.2 Opportunities for future business development

BlackRock is seeking to further grow its business in Europe with ETFs and index funds. As part of the ongoing development of its product range, it plans to launch funds in Germany which are mainly aimed at German investors and to have them managed by BAMDE. At the same time, continuous checks are carried out to verify whether the existing product range can be made accessible to further European investors. Wider registration of the funds in selected Asian and Latin American markets is also being sought.

6. Risk Report

6.1 Operative organisation

As the external management company, BAMDE strives to organise low-risk operating procedures as efficiently as possible in all business areas. Over the course of an effective implementation as possible, BAMDE also uses the expertise of other Group-internal departments within the BlackRock Group as well as external service providers.

In order to ensure that service providers deliver adequate services, the Management Company largely concentrates its activities on the continuous monitoring, control and quality assurance of the outsourced processes. The application of a process and risk-oriented approach should facilitate suitable outsourcing control while ensuring that the synergies gained remain in place.

6.2 Methods and objectives of the risk management system

6.2.1 General requirements

The risk management system is ensured by the external management company BAMDE by means of the third-party management agreement. It is thus in conformity with the processes of the internal control and risk management systems, which are also applicable to the funds launched and managed by BAMDE.

The Management Board of the external management company has overall responsibility for implementing an appropriate risk management system. The Management Board is supported by the Risk Manager in this process. As part of this activity, the Risk Manager is responsible for the coordination, operative implementation and, where necessary, the further development of the risk management system within the BAMDE. The Risk Manager is independent and reports directly to the Management Board.

The risk management system covers all areas of the external Management Company, as well as the level of assets under management, including the sub-funds. The main goal is the ongoing assurance of the interests of the investors. In addition to ensuring adequate organisational conditions, particular focus is placed on the lasting, sensible and appropriate handling of the risks associated with day-to-day business (risk culture). The central positioning of risk management within the external Management Company, combined with its relevance to all areas of the company, ensures a systematic and consistent management of risks.

In order to be able to handle current and potential risks for investors in the sub-fund and the Company as efficiently and effectively as possible, risk management focuses on identifying potential risks as early as possible as well as dealing with any encountered risks in an appropriate and transparent manner. Early detection of potential risks should enable them to be adequately analysed and, as a result, to be effectively managed. For risk situations that have already occurred, it is crucial for them to be handled in an appropriate and transparent manner.

The external Management Company's local risk management system is integrated into the BlackRock Group's global risk management system. In order to implement Group-wide standards while observing local legal and supervisory requirements, the Company utilises established systems and processes from the global risk management system.

6.2.2 Business and risk strategy

The conditions for dealing with risk are defined by the external management company's risk strategy. The risk strategy, which is reviewed at least once a year and adapted if necessary, is based on the Management Company's business strategy, which is also reviewed annually. In addition, a risk policy was implemented that describes the risk management and controlling processes at the level of the funds and the sub-funds. The risk strategy and risk policy are supplemented by further instructions and process descriptions regarding individual components of the risk management system.

6.2.3 Risk and Control Committee

The risk management is also supported by a local Risk and Control Committee. Meetings take place monthly and are chaired by the Company's Risk Manager and Compliance Officer.

Heads of departments or staff units, in whose areas the responsibility for the main operational activities of the external Management Company are held, are constantly represented in this body. The Risk Committee serves as a central forum in order to identify risks early and report on the handling of existing, known risks. Furthermore, the Risk Manager and the Compliance Officer report back on current developments relating to the risk situation and current topics or initiatives relating to both control functions.

6.2.4 Risk management at the level of the external Management Company - Operational risks

Key components in the management and controlling of operational risks are the early warning system, comprising the Key Risk Indicator System and ad hoc reporting. In addition, all cases of damage identified are subject to analysis and documentation. The performance of Risk and Control Self Assessments serves to consistently identify major, relevant risks across various areas of the Company.

The purpose of the Key Risk Indicator System is to regularly monitor risks in all business areas. It is supplemented by the ad hoc reporting system. Using this instrument, significant developments entailing risks affecting the sub-funds or Company can be immediately escalated, as required, in order to appropriately take into account the duty to report critical situations immediately.

Claims and cases of operational failure (operating events) are documented in detail in a claims database. This also takes place for cases of damage that have no financial consequences. As part of treatment for cases of damage or cases of operational failure, any necessary process adjustments are also mentioned. This should result in a reduction in the probability or impact of a repeated occurrence.

Another instrument used to identify and manage operational risk is the "Risk and Control Self-Assessment" (RCSA). This constitutes a risk inventory to determine the key risks in the area being examined. The relevant controls in place are compared to the key risks identified. By means of evaluating the design and reliability of a control, the control efficiency per risk as well as on aggregate level is determined for the area of business inspected. The control efficiency and amount of residual risk identified is then used to determine any required action.

In addition, the risk management function is significantly involved in carrying out planned outsourcing. It is the Risk Manager's responsibility to carry out and coordinate an outsourcing risk analysis. This serves to determine any relevant risks related to outsourcing initiatives. A decision model is created for the Management Board based on the results of this analysis.

6.2.5 Risk management at the level of the sub-funds

Market risk relating to sub-funds is monitored on a daily basis by verifying fund leverage using the simple approach as per Section 15 et seq. of the German Derivatives Ordinance (DerivateV). In order to ensure compliance with legal and regulatory limits, more restrictive limits are used internally. Relative market risk is monitored through regular monitoring of the tracking error as per the recommendations of the ESMA Guidelines on ETFs and other UCITS issues (ESMA/2014/937).

Furthermore, for sub-funds that replicate an equity index, the duplication percentage is monitored daily.

In the area of monitoring and managing counterparty risk, the global processes and units within the BlackRock Group are used. All counterparties for the sub-funds (so-called Authorised Participants) are constantly monitored using the Group-wide capacities of global credit risk management.

6.3 Risk reporting

The Company's Management Board receives a quarterly risk report in which the Risk Manager details the Company's current risk profile and that of its managed sub-funds. In addition to presenting the relevant risks, if necessary, the risk report may also contain recommendations by the Risk Manager, who is independent from the operational departments. Ad hoc reporting outside of the quarterly reporting cycle is used to report any significant developments entailing risks for the managed sub-funds or the Company that require immediate escalation to the Management Board.

6.4 Potential economic risks

With our wide range of products geared towards the interests of investors and the market, we consider ourselves well-equipped to deal with competition in the future.

In order to remain market leader in the future despite the increasing level of competition on the ETF market, we are planning a host of client-group specific and individualised activities for 2018.

6.5 Potential legal risks

No potential risk can be identified under the current legal and tax framework. Changes in this framework could result in a different assessment.

6.6 Operational functions

The external management company BAMDE takes account of operational risks through its organisational and technical procedures and staff instructions. BAMDE possesses the appropriate data acquisition, management and control instruments for the risks indicated. In the operating model, important parts are outsourced within the Group and to external service providers. In order to appropriately control the operational risks arising from the outsourcing relationships, BAMDE has created an outsourcing controlling framework that is linked to the risk management system.

6.7 Other risks

6.7.1 United Kingdom's exit from the European Union (BREXIT)

The Company currently sees no significant relevant major risks as a result of the vote of June 2016 by the British people that will lead to the United Kingdom leaving the European Union.

Nevertheless, investigations into the implications, risks and opportunities possibly associated with a potential exit from the EU began prior to the referendum. Following the vote, the focus was on the development of appropriate plans. Due to the still prevailing uncertainty about the design or the actual procedure of the withdrawal, the plans are continuously adjusted to current developments.

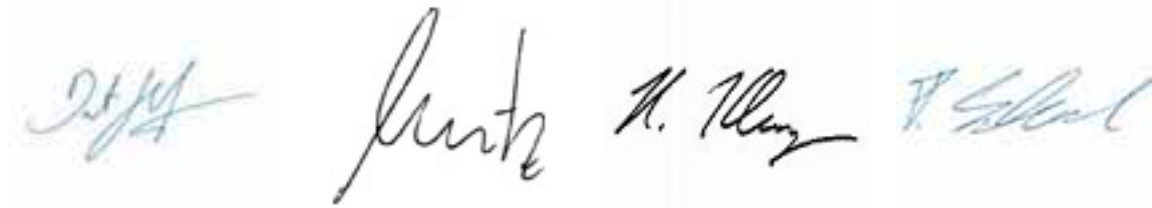
In addition to the aforementioned items, no other significant risks in the area of liquidity risks, foreign currency risks, counterparty default risks, market risks and other legal risks were known at the reporting date.

7. Statement on the appropriateness of legal transactions with affiliated companies pursuant to Section 312 Para. 3 of the German Companies Act (Aktiengesetz – AktG)

The Management Board hereby declares that for the legal transactions listed in the report on relations with affiliated companies the Company agreed/received appropriate compensation for each legal transaction under the circumstances known to the Management Board at the time such transactions were undertaken and that the Company neither took nor omitted to take any measures as defined in Section 312 of the AktG.

Munich, 17 May 2018
iShares (DE) I Investment Stock Company with Sub-funds

Management Board



Dirk Schmitz

Alexander Mertz

Harald Klug

Peter Scharl

¹ BlackRock, Global ETP Landscape – Industry Highlights, December 2017, page 13. It is not possible to compile precise information on ETF trading on the German market through the exchanges; sufficiently accurate estimates are only possible in a European context.

² Calculated using the European Central Bank's euro reference rate as at 31 December 2017 (EUR 1 = USD 1.1993).

³ The "iShares I Founder Shares" sub-fund is not mentioned here, as the company shares it contains – analogous to variable share capital – are wholly owned by the parent BAMDE and the Fund is not registered for public distribution.

iShares (DE) I Investment Stock Company with Sub-funds

Balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	6,177,214,347.57	5,255,055,878.84
1. Securities	6,115,628,957.96	5,208,366,025.27
2. Cash and cash equivalents	25,925,882.15	20,312,921.08
a) Bank deposits available on a daily basis	25,925,882.15	20,312,921.08
3. Receivables	36,395,078.90	25,784,004.95
a) Interest and dividend claims	15,146,092.98	11,569,629.53
b) Other receivables	21,248,985.92	14,214,375.42
4. Other assets	-735,571.44	592,927.54
B. Liabilities	6,177,214,347.57	5,255,055,878.84
1. Provisions	585.00	0.00
2. Loans	21,188.08	254,745.14
a) from banks	21,188.08	254,745.14
3. Other liabilities	22,991,248.02	3,441,980.15
a) Other	22,991,248.02	3,441,980.15
4. Shareholders' capital	6,154,201,326.47	5,251,359,153.55
a) Capital inflows	6,617,456,392.70	5,088,145,345.40
b) Unrealised gains/losses from the revaluation	199,811,459.71	375,459,440.91
c) Retained profits/losses brought forward	-838,372,333.64	-296,097,404.68
d) Annual realised results	175,305,807.70	83,851,771.92

iShares I Founder Shares

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	301,201.48	303,747.30
1. Securities	294,097.67	298,302.82
2. Cash and cash equivalents	4,735.81	4,451.48
a) Bank deposits available on a daily basis	4,735.81	4,451.48
3. Receivables	2,368.00	993.00
a) other receivables	2,368.00	993.00
B. Liabilities	301,201.48	303,747.30
1. Provisions	585.00	0.00
2. Other liabilities	24.03	24.97
a) Other	24.03	24.97
3. Shareholders' capital	300,592.45	303,722.33
a) Capital inflows	300,000.00	300,000.00
b) Unrealised gains/losses from the revaluation	-4,748.79	-2,971.74
c) Retained profits/losses brought forward	6,694.07	7,650.68
d) Annual realised results	-1,352.83	-956.61

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	200,621,255.52	213,823,344.15
1. Securities	200,574,072.76	213,629,781.45
2. Cash and cash equivalents	34,696.38	152,961.32
a) Bank deposits available on a daily basis	34,696.38	152,961.32
3. Receivables	12,486.38	38,486.38
a) other receivables	12,486.38	38,486.38
4. Other assets	0.00	2,115.00
B. Liabilities	200,621,255.52	213,823,344.15
1. Other liabilities	69,003.77	75,948.62
a) Other	69,003.77	75,948.62
2. Shareholders' capital	200,552,251.75	213,747,395.53
a) Capital inflows	239,013,805.14	283,468,728.95
b) Unrealised gains/losses from the revaluation	25,406,612.08	14,883,500.85
c) Retained profits/losses brought forward	-73,950,940.98	-77,183,874.94
d) Annual realised results	10,082,775.51	-7,420,959.33

iShares STOXX Europe 600 Banks UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	1,007,048,093.68	569,136,751.87
1. Securities	1,001,316,111.25	561,590,209.16
2. Cash and cash equivalents	737,937.04	3,598,142.59
a) Bank deposits available on a daily basis	737,937.04	3,598,142.59
3. Receivables	4,998,388.99	4,069,515.12
a) Interest and dividend claims	3,152,494.24	1,235,867.73
b) Other receivables	1,845,894.75	2,833,647.39
4. Other assets	-4,343.60	-121,115.00
B. Liabilities	1,007,048,093.68	569,136,751.87
1. Loans	861.23	0.00
a) from banks	861.23	0.00
2. Other liabilities	387,689.71	205,396.33
a) Other	387,689.71	205,396.33
3. Shareholders' capital	1,006,659,542.74	568,931,355.54
a) Capital inflows	2,207,517,218.12	1,320,817,413.69
b) Unrealised gains/losses from the revaluation	38,718,550.40	-14,714,458.47
c) Retained profits/losses brought forward	-1,242,412,012.10	-717,103,152.75
d) Annual realised results	2,835,786.32	-20,068,446.93

iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	466,777,967.34	368,408,847.83
1. Securities	466,524,266.50	365,830,392.66
2. Cash and cash equivalents	176,551.78	575.33
a) Bank deposits available on a daily basis	176,551.78	575.33
3. Receivables	75,484.06	2,661,917.60
a) Interest and dividend claims	0.00	2,296,618.91
b) Other receivables	75,484.06	365,298.69
4. Other assets	1,665.00	-84,037.76
B. Liabilities	466,777,967.34	368,408,847.83
1. Loans	0.00	246,564.70
a) from banks	0.00	246,564.70
2. Other liabilities	168,151.93	130,992.24
a) Other	168,151.93	130,992.24
3. Shareholders' capital	466,609,815.41	368,031,290.89
a) Capital inflows	134,589,402.57	113,978,626.15
b) Unrealised gains/losses from the revaluation	100,435,501.64	72,787,662.15
c) Retained profits/losses brought forward	205,887,202.92	173,987,304.33
d) Annual realised results	25,697,708.28	7,277,698.26

iShares STOXX Europe 600 Chemicals UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	85,567,955.58	116,646,302.97
1. Securities	85,087,600.10	116,402,527.33
2. Cash and cash equivalents	276,870.62	71,462.36
a) Bank deposits available on a daily basis	276,870.62	71,462.36
3. Receivables	216,264.86	163,988.28
a) other receivables	216,264.86	163,988.28
4. Other assets	-12,780.00	8,325.00
B. Liabilities	85,567,955.58	116,646,302.97
1. Loans	0.00	211.77
a) from banks	0.00	211.77
2. Other liabilities	30,160.55	49,220.53
a) Other	30,160.55	49,220.53
3. Shareholders' capital	85,537,795.03	116,596,870.67
a) Capital inflows	25,564,076.20	41,952,749.72
b) Unrealised gains/losses from the revaluation	5,352,249.09	10,170,301.44
c) Retained profits/losses brought forward	44,147,544.20	63,478,362.44
d) Annual realised results	10,473,925.54	995,457.07

iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	86,295,919.97	96,815,269.02
1. Securities	86,077,245.43	96,224,871.25
2. Cash and cash equivalents	68,745.59	407,822.77
a) Bank deposits available on a daily basis	68,745.59	407,822.77
3. Receivables	155,418.95	158,705.00
a) other receivables	155,418.95	158,705.00
4. Other assets	-5,490.00	23,870.00
B. Liabilities	86,295,919.97	96,815,269.02
1. Loans	1,061.93	7.96
a) from banks	1,061.93	7.96
2. Other liabilities	30,522.89	54,289.99
a) Other	30,522.89	54,289.99
3. Shareholders' capital	86,264,335.15	96,760,971.07
a) Capital inflows	136,380,573.46	155,108,948.28
b) Unrealised gains/losses from the revaluation	6,145,179.63	8,099,712.70
c) Retained profits/losses brought forward	-59,186,971.95	-66,335,155.18
d) Annual realised results	2,925,554.01	-112,534.73

iShares STOXX Europe 600 Financial Services UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	63,461,656.66	17,914,389.32
1. Securities	62,872,874.85	17,819,867.06
2. Cash and cash equivalents	444,796.83	28,733.24
a) Bank deposits available on a daily basis	444,796.83	28,733.24
3. Receivables	135,754.98	63,309.02
a) Interest and dividend claims	17,867.06	5,172.42
b) Other receivables	117,887.92	58,136.60
4. Other assets	8,230.00	2,480.00
B. Liabilities	63,461,656.66	17,914,389.32
1. Loans	0.00	519.78
a) from banks	0.00	519.78
2. Other liabilities	26,443.46	8,794.94
a) Other	26,443.46	8,794.94
3. Shareholders' capital	63,435,213.20	17,905,074.60
a) Capital inflows	96,636,945.30	26,943,714.12
b) Unrealised gains/losses from the revaluation	4,096,827.62	3,621,676.75
c) Retained profits/losses brought forward	-40,528,608.27	-13,493,613.85
d) Annual realised results	3,230,048.55	833,297.58

iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	193,470,562.38	180,200,218.58
1. Securities	191,571,848.14	178,628,831.29
2. Cash and cash equivalents	220,477.96	106,510.17
a) Bank deposits available on a daily basis	220,477.96	106,510.17
3. Receivables	1,789,056.28	1,405,462.12
a) Interest and dividend claims	353,942.54	349,118.72
b) Other receivables	1,435,113.74	1,056,343.40
4. Other assets	-110,820.00	59,415.00
B. Liabilities	193,470,562.38	180,200,218.58
1. Loans	26.15	54.80
a) from banks	26.15	54.80
2. Other liabilities	69,290.84	117,959.43
a) Other	69,290.84	117,959.43
3. Shareholders' capital	193,401,245.39	180,082,204.35
a) Capital inflows	81,242,116.21	74,005,683.02
b) Unrealised gains/losses from the revaluation	6,387,567.25	11,241,524.21
c) Retained profits/losses brought forward	101,648,190.88	91,448,575.11
d) Annual realised results	4,123,371.05	3,386,422.01

iShares STOXX Europe 600 Health Care UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	475,446,012.37	787,416,304.16
1. Securities	468,940,022.46	778,787,012.12
2. Cash and cash equivalents	398,517.78	1,607,282.64
a) Bank deposits available on a daily basis	398,517.78	1,607,282.64
3. Receivables	6,348,262.13	6,561,551.76
a) Interest and dividend claims	1,511,100.72	2,852,421.56
b) Other receivables	4,837,161.41	3,709,130.20
4. Other assets	-240,790.00	460,457.64
B. Liabilities	475,446,012.37	787,416,304.16
1. Loans	0.00	4,248.32
a) from banks	0.00	4,248.32
2. Other liabilities	169,919.24	702,431.41
a) Other	169,919.24	702,431.41
3. Shareholders' capital	475,276,093.13	786,709,624.43
a) Capital inflows	355,751,882.44	565,654,490.99
b) Unrealised gains/losses from the revaluation	-1,082,581.08	89,965,186.29
c) Retained profits/losses brought forward	84,529,242.06	116,167,194.39
d) Annual realised results	36,077,549.71	14,922,752.76

iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	156,263,648.79	90,150,181.71
1. Securities	154,795,739.45	89,691,120.60
2. Cash and cash equivalents	1,112,097.06	324,742.58
a) Bank deposits available on a daily basis	1,112,097.06	324,742.58
3. Receivables	377,869.23	122,666.86
a) Interest and dividend claims	92,060.10	0.00
b) Other receivables	285,809.13	122,666.86
4. Other assets	-22,056.95	11,651.67
B. Liabilities	156,263,648.79	90,150,181.71
1. Loans	3,021.90	0.00
a) from banks	3,021.90	0.00
2. Other liabilities	55,237.25	39,057.62
a) Other	55,237.25	39,057.62
3. Shareholders' capital	156,205,389.64	90,111,124.09
a) Capital inflows	55,540,364.21	28,748,420.41
b) Unrealised gains/losses from the revaluation	14,694,447.29	10,252,623.11
c) Retained profits/losses brought forward	80,009,362.11	48,583,057.66
d) Annual realised results	5,961,216.03	2,527,022.91

iShares STOXX Europe 600 Insurance UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets		
1. Securities	286,843,737.50	154,792,485.82
2. Cash and cash equivalents	285,554,794.65	154,572,110.23
a) Bank deposits available on a daily basis	779,738.31	51,543.61
3. Receivables	779,738.31	51,543.61
a) other receivables	485,834.54	167,181.98
4. Other assets	485,834.54	167,181.98
B. Liabilities	23,370.00	1,650.00
1. Loans	286,843,737.50	154,792,485.82
a) from banks	3,942.48	80.01
2. Other liabilities	3,942.48	80.01
a) Other	128,394.27	55,424.32
3. Shareholders' capital	128,394.27	55,424.32
a) Capital inflows	286,711,400.75	154,736,981.49
b) Unrealised gains/losses from the revaluation	407,034,392.41	230,718,196.76
c) Retained profits/losses brought forward	22,065,443.86	9,642,264.49
d) Annual realised results	-147,331,297.80	-93,467,471.07
	4,942,862.28	7,843,991.31

iShares STOXX Europe 600 Media UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	10,795,926.66	12,367,032.32
1. Securities	10,738,081.01	11,491,975.18
2. Cash and cash equivalents	26,038.27	565,348.79
a) Bank deposits available on a daily basis	26,038.27	565,348.79
3. Receivables	32,387.38	308,883.35
a) other receivables	32,387.38	308,883.35
4. Other assets	-580.00	825.00
B. Liabilities	10,795,926.66	12,367,032.32
1. Loans	0.02	0.03
a) from banks	0.02	0.03
2. Other liabilities	3,728.14	832,006.40
a) Other	3,728.14	832,006.40
3. Shareholders' capital	10,792,198.50	11,535,025.89
a) Capital inflows	9,667,167.12	9,590,482.12
b) Unrealised gains/losses from the revaluation	-414,780.38	-193,814.93
c) Retained profits/losses brought forward	1,656,045.82	1,787,734.60
d) Annual realised results	-116,234.06	350,624.10

iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	863,196,789.81	565,029,254.65
1. Securities	856,178,726.02	559,209,166.23
2. Cash and cash equivalents	507,833.18	2,151,403.39
a) Bank deposits available on a daily basis	507,833.18	2,151,403.39
3. Receivables	6,393,949.50	3,693,110.96
a) Interest and dividend claims	5,580,508.41	2,234,457.30
b) Other receivables	813,441.09	1,458,653.66
4. Other assets	116,281.11	-24,425.93
B. Liabilities	863,196,789.81	565,029,254.65
1. Loans	527.80	0.00
a) from banks	527.80	0.00
2. Other liabilities	466,903.87	203,225.89
a) Other	466,903.87	203,225.89
3. Shareholders' capital	862,729,358.14	564,826,028.76
a) Capital inflows	698,881,319.59	438,316,151.42
b) Unrealised gains/losses from the revaluation	38,888,832.89	56,227,595.96
c) Retained profits/losses brought forward	89,762,463.16	65,093,101.71
d) Annual realised results	35,196,742.50	5,189,179.67

iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	79,071,752.09	55,486,594.49
1. Securities	78,546,823.85	55,213,773.81
2. Cash and cash equivalents	209,489.79	33,681.58
a) Bank deposits available on a daily basis	209,489.79	33,681.58
3. Receivables	341,763.45	223,264.10
a) Interest and dividend claims	185,417.49	116,861.48
b) Other receivables	156,345.96	106,402.62
4. Other assets	-26,325.00	15,875.00
B. Liabilities	79,071,752.09	55,486,594.49
1. Loans	145.30	0.00
a) from banks	145.30	0.00
2. Other liabilities	28,548.72	35,349.12
a) Other	28,548.72	35,349.12
3. Shareholders' capital	79,043,058.07	55,451,245.37
a) Capital inflows	39,002,731.49	20,138,358.02
b) Unrealised gains/losses from the revaluation	807,119.84	10,669,159.00
c) Retained profits/losses brought forward	37,941,858.46	21,883,282.36
d) Annual realised results	1,291,348.28	2,760,445.99

iShares STOXX Europe 600 Real Estate UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	82,909,901.69	89,960,046.64
1. Securities	82,300,578.84	89,570,604.38
2. Cash and cash equivalents	328,350.04	112,525.82
a) Bank deposits available on a daily basis	328,350.04	112,525.82
3. Receivables	314,002.81	266,186.44
a) other receivables	314,002.81	266,186.44
4. Other assets	-33,030.00	10,730.00
B. Liabilities	82,909,901.69	89,960,046.64
1. Loans	3,193.22	0.00
a) from banks	3,193.22	0.00
2. Other liabilities	27,929.49	40,577.63
a) Other	27,929.49	40,577.63
3. Shareholders' capital	82,878,778.98	89,919,469.01
a) Capital inflows	77,029,627.82	82,427,864.99
b) Unrealised gains/losses from the revaluation	-980,366.06	-18,326.98
c) Retained profits/losses brought forward	6,401,365.31	3,407,702.56
d) Annual realised results	428,151.91	4,102,228.44

iShares STOXX Europe 600 Retail UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	23,274,406.45	12,654,017.79
1. Securities	23,134,591.72	12,595,511.47
2. Cash and cash equivalents	92,061.84	23,283.49
a) Bank deposits available on a daily basis	92,061.84	23,283.49
3. Receivables	52,167.89	36,422.83
a) other receivables	52,167.89	36,422.83
4. Other assets	-4,415.00	-1,200.00
B. Liabilities	23,274,406.45	12,654,017.79
1. Loans	5,178.58	0.00
a) from banks	5,178.58	0.00
2. Other liabilities	6,886.72	5,167.04
a) Other	6,886.72	5,167.04
3. Shareholders' capital	23,262,341.15	12,648,850.75
a) Capital inflows	23,377,575.29	12,438,297.53
b) Unrealised gains/losses from the revaluation	-758,980.40	-1,253,656.00
c) Retained profits/losses brought forward	2,502,543.46	2,478,088.41
d) Annual realised results	-1,858,797.20	-1,013,879.19

iShares STOXX Europe 600 Technology UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	115,352,374.64	55,121,060.54
1. Securities	115,094,514.68	55,027,265.54
2. Cash and cash equivalents	172,920.99	40,957.85
a) Bank deposits available on a daily basis	172,920.99	40,957.85
3. Receivables	81,678.97	49,827.15
a) Interest and dividend claims	37,325.42	21,338.98
b) Other receivables	44,353.55	28,488.17
4. Other assets	3,260.00	3,010.00
B. Liabilities	115,352,374.64	55,121,060.54
1. Loans	2,020.78	2,722.82
a) from banks	2,020.78	2,722.82
2. Other liabilities	40,409.37	27,493.39
a) Other	40,409.37	27,493.39
3. Shareholders' capital	115,309,944.49	55,090,844.33
a) Capital inflows	81,600,366.08	41,987,505.34
b) Unrealised gains/losses from the revaluation	7,966,109.48	5,654,916.51
c) Retained profits/losses brought forward	13,791,203.58	2,756,473.75
d) Annual realised results	11,952,265.35	4,691,948.73

iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	411,062,062.44	302,247,394.12
1. Securities	387,069,218.17	299,443,606.61
2. Cash and cash equivalents	16,228,702.02	2,132,824.65
a) Bank deposits available on a daily basis	16,228,702.02	2,132,824.65
3. Receivables	8,006,784.25	618,227.86
a) other receivables	8,006,784.25	618,227.86
4. Other assets	-242,642.00	52,735.00
B. Liabilities	411,062,062.44	302,247,394.12
1. Loans	315.09	5.59
a) from banks	315.09	5.59
2. Other liabilities	20,731,085.71	164,203.60
a) Other	20,731,085.71	164,203.60
3. Shareholders' capital	390,330,661.64	302,083,184.93
a) Capital inflows	543,568,752.26	352,789,890.20
b) Unrealised gains/losses from the revaluation	-46,491,570.84	-26,324,302.21
c) Retained profits/losses brought forward	-82,630,831.09	-10,929,535.74
d) Annual realised results	-24,115,688.69	-13,452,867.32

iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	28,336,074.85	28,944,122.62
1. Securities	28,124,004.03	28,547,624.67
2. Cash and cash equivalents	168,852.75	277,224.23
a) Bank deposits available on a daily basis	168,852.75	277,224.23
3. Receivables	43,453.07	105,498.72
a) Interest and dividend claims	13,155.57	40,812.19
b) Other receivables	30,297.50	64,686.53
4. Other assets	-235.00	13,775.00
B. Liabilities	28,336,074.85	28,944,122.62
1. Loans	0.00	0.29
a) from banks	0.00	0.29
2. Other liabilities	10,417.60	20,017.52
a) Other	10,417.60	20,017.52
3. Shareholders' capital	28,325,657.25	28,924,104.81
a) Capital inflows	20,430,776.37	20,452,387.19
b) Unrealised gains/losses from the revaluation	1,472,330.16	1,751,464.82
c) Retained profits/losses brought forward	5,844,945.45	7,273,257.69
d) Annual realised results	577,605.27	-553,004.89

iShares STOXX Europe 600 Utilities UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	354,455,810.00	326,585,146.47
1. Securities	351,770,651.82	320,560,534.99
2. Cash and cash equivalents	1,353,851.25	4,586,798.94
a) Bank deposits available on a daily basis	1,353,851.25	4,586,798.94
3. Receivables	1,516,176.93	1,281,020.62
a) Interest and dividend claims	423,645.68	20,604.33
b) Other receivables	1,092,531.25	1,260,416.29
4. Other assets	-184,870.00	156,791.92
B. Liabilities	354,455,810.00	326,585,146.47
1. Loans	814.99	2.23
a) from banks	814.99	2.23
2. Other liabilities	121,648.67	250,293.78
a) Other	121,648.67	250,293.78
3. Shareholders' capital	354,333,346.34	326,334,850.46
a) Capital inflows	397,288,471.76	351,559,994.33
b) Unrealised gains/losses from the revaluation	-23,712,024.20	-10,457,064.85
c) Retained profits/losses brought forward	-24,840,115.37	-17,680,407.67
d) Annual realised results	5,597,014.15	2,912,328.65

iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

Interim balance sheet as at 28/02/2018

	Market value in EUR as at 28/02/2018	Market value in EUR as at 28/02/2017
I. Investment capital assets		
A. Assets	1,186,661,237.67	1,211,053,366.47
1. Securities	1,179,063,094.56	1,203,230,936.42
2. Cash and cash equivalents	2,582,616.86	4,034,644.25
a) Bank deposits available on a daily basis	2,582,616.86	4,034,644.25
3. Receivables	5,015,526.25	3,787,785.80
a) Interest and dividend claims	3,778,575.75	2,396,355.91
b) Other receivables	1,236,950.50	1,391,429.89
B. Liabilities	1,186,661,237.67	1,211,053,366.47
1. Loans	78.61	326.84
a) from banks	78.61	326.84
2. Other liabilities	418,851.79	424,105.38
a) Other	418,851.79	424,105.38
3. Shareholders' capital	1,186,242,307.27	1,210,628,934.25
a) Capital inflows	987,038,828.86	916,747,442.17
b) Unrealised gains/losses from the revaluation	819,740.23	123,456,447.81
c) Retained profits/losses brought forward	158,379,782.44	101,744,020.83
d) Annual realised results	40,003,955.74	68,681,023.44

iShares (DE) I Investment Stock Company with Sub-funds

Income statement

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from domestic issuers	EUR	11,917,463.01	EUR	1,604,358.23
2. Dividends from foreign issuers (before withholding tax) ¹⁾	EUR	227,215,992.69	EUR	262,104,289.08
3. Interest from foreign securities (before withholding tax)	EUR	0.00	EUR	914.64
4. Interest from domestic liquidity investments	EUR	3,206.18	EUR	1,690.07
5. Income from investment units	EUR	1,571.67	EUR	2,254.26
6. Income from securities lending and securities repurchase agreements	EUR	394,477.90	EUR	553,469.15
7. Deduction of foreign withholding tax	EUR	-18,600,721.69	EUR	-12,584,955.12
8. Other income	EUR	15,505,702.92	EUR	18,274,348.18
Total income	EUR	236,437,692.68	EUR	269,956,368.49
II. Expenses				
1. Interest from borrowings	EUR	-7,904.38	EUR	-21,742.31
2. Management fee	EUR	-28,319,960.15	EUR	-21,117,174.51
3. Other expenses	EUR	-1,124,844.82	EUR	-785,425.81
Total expenses	EUR	-29,452,709.35	EUR	-21,924,342.63
III. Ordinary net income	EUR	206,984,983.33	EUR	248,032,025.86
IV. Disposals				
1. Realised gains	EUR	241,040,813.72	EUR	88,655,894.62
2. Realised losses	EUR	-119,420,460.15	EUR	-129,094,029.77
Gain/loss on disposals	EUR	121,620,353.57	EUR	-40,438,135.15
V. Annual realised results	EUR	328,605,336.90	EUR	207,593,890.71
1. Net change in unrealised gains	EUR	-37,412,542.98	EUR	271,762,649.41
2. Net change in unrealised losses	EUR	-138,235,438.22	EUR	206,496,836.01
VI. Annual unrealised results	EUR	-175,647,981.20	EUR	478,259,485.42
VII. Result for the financial year	EUR	152,957,355.70	EUR	685,853,376.13

1) Includes dividends within the meaning of Section 19 Paragraph 1 of the German REIT Act amounting to EUR 19,449,757.65

iShares I Founder Shares

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Interest from foreign securities (before withholding tax)	EUR	0.00	EUR	914.64	
2. Income from investment units	EUR	1,571.67	EUR	2,254.26	
3. Other income	EUR	6.19	EUR	0.00	
Total income	EUR	1,577.86	EUR	3,168.90	
II. Expenses					
1. Management fee	EUR	-272.06	EUR	-273.74	
2. Other expenses	EUR	-1,414.53	EUR	-69.34	
Total expenses	EUR	-1,686.59	EUR	-343.08	
III. Ordinary net income	EUR	-108.73	EUR	2,825.82	
IV. Disposals					
1. Realised gains	EUR	13.93	EUR	323.37	
2. Realised losses	EUR	-1,258.03	EUR	-4,105.80	
Gain/loss on disposals	EUR	-1,244.10	EUR	-3,782.43	
V. Annual realised results	EUR	-1,352.83	EUR	-956.61	
1. Net change in unrealised gains	EUR	199.98	EUR	-575.40	
2. Net change in unrealised losses	EUR	-1,977.03	EUR	803.29	
VI. Annual unrealised results	EUR	-1,777.05	EUR	227.89	
VII. Result for the financial year	EUR	-3,129.88	EUR	-728.72	

iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	4,807,460.24	EUR	2,831,534.74	
2. Dividends from foreign issuers (before withholding tax)	EUR	1,832,187.09	EUR	4,790,816.97	
3. Interest from domestic liquidity investments	EUR	0.31	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	606.69	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-27,977.15	EUR	-21,686.53	
6. Other income	EUR	0.00	EUR	58,657.80	
Total income	EUR	6,612,277.18	EUR	7,659,322.98	
II. Expenses					
1. Interest from borrowings	EUR	-271.54	EUR	-308.17	
2. Management fee	EUR	-847,726.30	EUR	-810,937.48	
3. Other expenses	EUR	-27,760.10	EUR	-30,399.68	
Total expenses	EUR	-875,757.94	EUR	-841,645.33	
III. Ordinary net income	EUR	5,736,519.24	EUR	6,817,677.65	
IV. Disposals					
1. Realised gains	EUR	11,307,992.98	EUR	-437,364.65	
2. Realised losses	EUR	-1,203,847.07	EUR	-10,375,524.71	
Gain/loss on disposals	EUR	10,104,145.91	EUR	-10,812,889.36	
V. Annual realised results	EUR	15,840,665.15	EUR	-3,995,211.71	
1. Net change in unrealised gains	EUR	10,829,578.63	EUR	13,472,739.40	
2. Net change in unrealised losses	EUR	-306,467.40	EUR	14,673,509.89	
VI. Annual unrealised results	EUR	10,523,111.23	EUR	28,146,249.29	
VII. Result for the financial year	EUR	26,363,776.38	EUR	24,151,037.58	

iShares STOXX Europe 600 Banks UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	356,334.83	EUR	0.00	
2. Dividends from foreign issuers (before withholding tax)	EUR	31,011,838.78	EUR	37,895,755.41	
3. Interest from domestic liquidity investments	EUR	2.45	EUR	0.05	
4. Income from securities lending and securities repurchase agreements	EUR	179,252.86	EUR	95,819.39	
5. Deduction of foreign withholding tax	EUR	-1,867,010.75	EUR	-1,147,374.97	
6. Other income	EUR	3,629,911.45	EUR	5,889,772.49	
Total income	EUR	33,310,329.62	EUR	42,733,972.37	
II. Expenses					
1. Interest from borrowings	EUR	-724.18	EUR	-1,461.64	
2. Management fee	EUR	-4,569,447.25	EUR	-2,154,248.53	
3. Other expenses	EUR	-159,293.30	EUR	-81,948.22	
Total expenses	EUR	-4,729,464.73	EUR	-2,237,658.39	
III. Ordinary net income	EUR	28,580,864.89	EUR	40,496,313.98	
IV. Disposals					
1. Realised gains	EUR	7,867,966.94	EUR	-7,120,760.72	
2. Realised losses	EUR	-11,818,508.21	EUR	-35,365,234.99	
Gain/loss on disposals	EUR	-3,950,541.27	EUR	-42,485,995.71	
V. Annual realised results	EUR	24,630,323.62	EUR	-1,989,681.73	
1. Net change in unrealised gains	EUR	37,348,640.59	EUR	26,583,125.06	
2. Net change in unrealised losses	EUR	16,084,368.28	EUR	53,323,577.25	
VI. Annual unrealised results	EUR	53,433,008.87	EUR	79,906,702.31	
VII. Result for the financial year	EUR	78,063,332.49	EUR	77,917,020.58	

iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from foreign issuers (before withholding tax)	EUR	11,129,002.97	EUR	10,148,484.99
2. Interest from domestic liquidity investments	EUR	143.71	EUR	0.55
3. Income from securities lending and securities repurchase agreements	EUR	5,602.02	EUR	0.00
4. Deduction of foreign withholding tax	EUR	-268,946.05	EUR	-149,585.44
5. Other income	EUR	64,189.79	EUR	331,284.54
Total income	EUR	10,929,992.44	EUR	10,330,184.64
II. Expenses				
1. Interest from borrowings	EUR	-389.15	EUR	-907.10
2. Management fee	EUR	-1,929,676.10	EUR	-1,183,254.28
3. Other expenses	EUR	-66,280.24	EUR	-45,890.91
Total expenses	EUR	-1,996,345.49	EUR	-1,230,052.29
III. Ordinary net income	EUR	8,933,646.95	EUR	9,100,132.35
IV. Disposals				
1. Realised gains	EUR	25,415,010.33	EUR	10,439,468.67
2. Realised losses	EUR	-1,275,403.30	EUR	-10,073,048.81
Gain/loss on disposals	EUR	24,139,607.03	EUR	366,419.86
V. Annual realised results	EUR	33,073,253.98	EUR	9,466,552.21
1. Net change in unrealised gains	EUR	30,996,527.57	EUR	66,155,480.40
2. Net change in unrealised losses	EUR	-3,348,688.08	EUR	51,014,224.68
VI. Annual unrealised results	EUR	27,647,839.49	EUR	117,169,705.08
VII. Result for the financial year	EUR	60,721,093.47	EUR	126,636,257.29

iShares STOXX Europe 600 Chemicals UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	1,275,476.31	EUR	877,973.50	
2. Dividends from foreign issuers (before withholding tax)	EUR	1,212,435.76	EUR	1,513,762.91	
3. Interest from domestic liquidity investments	EUR	23.09	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	1,011.55	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-172,559.53	EUR	-100,625.70	
6. Other income	EUR	41,603.87	EUR	40,279.77	
Total income	EUR	2,357,991.05	EUR	2,331,390.48	
II. Expenses					
1. Interest from borrowings	EUR	-31.07	EUR	-20.67	
2. Management fee	EUR	-385,521.67	EUR	-465,297.66	
3. Other expenses	EUR	-12,515.15	EUR	-17,154.11	
Total expenses	EUR	-398,067.89	EUR	-482,472.44	
III. Ordinary net income	EUR	1,959,923.16	EUR	1,848,918.04	
IV. Disposals					
1. Realised gains	EUR	10,582,444.76	EUR	1,448,155.66	
2. Realised losses	EUR	-229,430.75	EUR	-790,007.05	
Gain/loss on disposals	EUR	10,353,014.01	EUR	658,148.61	
V. Annual realised results	EUR	12,312,937.17	EUR	2,507,066.65	
1. Net change in unrealised gains	EUR	-3,920,584.82	EUR	7,438,845.03	
2. Net change in unrealised losses	EUR	-897,467.53	EUR	2,956,691.20	
VI. Annual unrealised results	EUR	-4,818,052.35	EUR	10,395,536.23	
VII. Result for the financial year	EUR	7,494,884.82	EUR	12,902,602.88	

iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	105,754.74	EUR	29,758.82	
2. Dividends from foreign issuers (before withholding tax)	EUR	2,225,267.83	EUR	2,874,454.76	
3. Income from securities lending and securities repurchase agreements	EUR	753.67	EUR	24,062.86	
4. Deduction of foreign withholding tax	EUR	-78,763.67	EUR	-37,617.23	
5. Other income	EUR	33,189.88	EUR	17,461.36	
Total income	EUR	2,286,202.45	EUR	2,908,120.57	
II. Expenses					
1. Interest from borrowings	EUR	-97.12	EUR	-711.21	
2. Management fee	EUR	-400,796.80	EUR	-347,816.12	
3. Other expenses	EUR	-13,621.71	EUR	-17,391.78	
Total expenses	EUR	-414,515.63	EUR	-365,919.11	
III. Ordinary net income	EUR	1,871,686.82	EUR	2,542,201.46	
IV. Disposals					
1. Realised gains	EUR	3,146,692.10	EUR	2,355,162.26	
2. Realised losses	EUR	-478,126.89	EUR	-3,872,170.25	
Gain/loss on disposals	EUR	2,668,565.21	EUR	-1,517,007.99	
V. Annual realised results	EUR	4,540,252.03	EUR	1,025,193.47	
1. Net change in unrealised gains	EUR	75,090.21	EUR	6,409,490.62	
2. Net change in unrealised losses	EUR	-2,029,623.28	EUR	1,698,507.99	
VI. Annual unrealised results	EUR	-1,954,533.07	EUR	8,107,998.61	
VII. Result for the financial year	EUR	2,585,718.96	EUR	9,133,192.08	

iShares STOXX Europe 600 Financial Services UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	155,253.92	EUR	76,140.00	
2. Dividends from foreign issuers (before withholding tax)	EUR	1,188,977.89	EUR	1,099,472.63	
3. Interest from domestic liquidity investments	EUR	1.14	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	3,375.38	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-80,079.63	EUR	-32,858.25	
6. Other income	EUR	175,089.43	EUR	17,715.82	
Total income	EUR	1,442,618.13	EUR	1,160,470.20	
II. Expenses					
1. Interest from borrowings	EUR	-205.14	EUR	-10.71	
2. Management fee	EUR	-277,893.82	EUR	-76,005.93	
3. Other expenses	EUR	-12,614.70	EUR	-2,786.03	
Total expenses	EUR	-290,713.66	EUR	-78,802.67	
III. Ordinary net income	EUR	1,151,904.47	EUR	1,081,667.53	
IV. Disposals					
1. Realised gains	EUR	5,958,795.56	EUR	762,737.78	
2. Realised losses	EUR	-2,914,600.12	EUR	-365,622.27	
Gain/loss on disposals	EUR	3,044,195.44	EUR	397,115.51	
V. Annual realised results	EUR	4,196,099.91	EUR	1,478,783.04	
1. Net change in unrealised gains	EUR	830,649.71	EUR	531,350.68	
2. Net change in unrealised losses	EUR	-355,498.84	EUR	254,897.93	
VI. Annual unrealised results	EUR	475,150.87	EUR	786,248.61	
VII. Result for the financial year	EUR	4,671,250.78	EUR	2,265,031.65	

iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from foreign issuers (before withholding tax)	EUR	5,163,262.20	EUR	4,746,363.98	
2. Interest from domestic liquidity investments	EUR	0.00	EUR	1.17	
3. Income from securities lending and securities repurchase agreements	EUR	15,983.10	EUR	0.00	
4. Deduction of foreign withholding tax	EUR	-1,031,427.55	EUR	-795,062.01	
5. Other income	EUR	939,593.94	EUR	404,768.46	
Total income	EUR	5,087,411.69	EUR	4,356,071.60	
II. Expenses					
1. Interest from borrowings	EUR	-128.57	EUR	-7,072.30	
2. Management fee	EUR	-918,975.84	EUR	-794,427.32	
3. Other expenses	EUR	-31,112.06	EUR	-29,581.22	
Total expenses	EUR	-950,216.47	EUR	-831,080.84	
III. Ordinary net income	EUR	4,137,195.22	EUR	3,524,990.76	
IV. Disposals					
1. Realised gains	EUR	3,930,908.18	EUR	4,102,908.44	
2. Realised losses	EUR	-405,315.64	EUR	-822,611.84	
Gain/loss on disposals	EUR	3,525,592.54	EUR	3,280,296.60	
V. Annual realised results	EUR	7,662,787.76	EUR	6,805,287.36	
1. Net change in unrealised gains	EUR	675,596.59	EUR	3,020,487.92	
2. Net change in unrealised losses	EUR	-5,529,553.55	EUR	-1,450,034.37	
VI. Annual unrealised results	EUR	-4,853,956.96	EUR	1,570,453.55	
VII. Result for the financial year	EUR	2,808,830.80	EUR	8,375,740.91	

iShares STOXX Europe 600 Health Care UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	415,050.57	EUR	511,567.72	
2. Dividends from foreign issuers (before withholding tax)	EUR	17,932,711.84	EUR	15,257,326.17	
3. Interest from domestic liquidity investments	EUR	29.96	EUR	1.67	
4. Income from securities lending and securities repurchase agreements	EUR	10,065.77	EUR	16,186.03	
5. Deduction of foreign withholding tax	EUR	-3,297,721.98	EUR	-1,576,490.60	
6. Other income	EUR	1,238,016.71	EUR	594,940.52	
Total income	EUR	16,298,152.87	EUR	14,803,531.51	
II. Expenses					
1. Interest from borrowings	EUR	-1,839.71	EUR	-1,257.33	
2. Management fee	EUR	-2,333,302.70	EUR	-3,275,404.90	
3. Other expenses	EUR	-69,460.99	EUR	-120,589.76	
Total expenses	EUR	-2,404,603.40	EUR	-3,397,251.99	
III. Ordinary net income	EUR	13,893,549.47	EUR	11,406,279.52	
IV. Disposals					
1. Realised gains	EUR	41,553,417.13	EUR	15,826,291.91	
2. Realised losses	EUR	-6,394,284.81	EUR	-3,031,087.22	
Gain/loss on disposals	EUR	35,159,132.32	EUR	12,795,204.69	
V. Annual realised results	EUR	49,052,681.79	EUR	24,201,484.21	
1. Net change in unrealised gains	EUR	-55,457,697.64	EUR	33,895,212.13	
2. Net change in unrealised losses	EUR	-35,590,069.73	EUR	1,946,468.54	
VI. Annual unrealised results	EUR	-91,047,767.37	EUR	35,841,680.67	
VII. Result for the financial year	EUR	-41,995,085.58	EUR	60,043,164.88	

iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	592,545.97	EUR	336,979.14	
2. Dividends from foreign issuers (before withholding tax)	EUR	2,608,406.23	EUR	3,131,274.16	
3. Interest from domestic liquidity investments	EUR	1,009.16	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	21,606.01	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-292,089.85	EUR	-109,141.91	
6. Other income	EUR	195,549.76	EUR	36,308.01	
Total income	EUR	3,127,027.28	EUR	3,395,419.40	
II. Expenses					
1. Interest from borrowings	EUR	-154.38	EUR	-627.28	
2. Management fee	EUR	-700,438.18	EUR	-359,101.81	
3. Other expenses	EUR	-104,861.19	EUR	-14,866.19	
Total expenses	EUR	-805,453.75	EUR	-374,595.28	
III. Ordinary net income	EUR	2,321,573.53	EUR	3,020,824.12	
IV. Disposals					
1. Realised gains	EUR	6,397,807.22	EUR	3,800,917.10	
2. Realised losses	EUR	-1,137,787.92	EUR	-3,067,715.31	
Gain/loss on disposals	EUR	5,260,019.30	EUR	733,201.79	
V. Annual realised results	EUR	7,581,592.83	EUR	3,754,025.91	
1. Net change in unrealised gains	EUR	6,414,853.01	EUR	7,462,085.63	
2. Net change in unrealised losses	EUR	-1,973,028.83	EUR	833,153.76	
VI. Annual unrealised results	EUR	4,441,824.18	EUR	8,295,239.39	
VII. Result for the financial year	EUR	12,023,417.01	EUR	12,049,265.30	

iShares STOXX Europe 600 Insurance UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	1,874,253.48	EUR	854,175.42	
2. Dividends from foreign issuers (before withholding tax)	EUR	6,642,290.22	EUR	10,376,936.18	
3. Income from securities lending and securities repurchase agreements	EUR	1,425.29	EUR	0.00	
4. Deduction of foreign withholding tax	EUR	-700,034.15	EUR	-245,140.79	
5. Other income	EUR	251,181.04	EUR	233,749.58	
Total income	EUR	8,069,115.88	EUR	11,219,720.39	
II. Expenses					
1. Interest from borrowings	EUR	-414.29	EUR	-317.90	
2. Management fee	EUR	-1,258,615.12	EUR	-613,754.39	
3. Other expenses	EUR	-47,940.86	EUR	-24,761.19	
Total expenses	EUR	-1,306,970.27	EUR	-638,833.48	
III. Ordinary net income	EUR	6,762,145.61	EUR	10,580,886.91	
IV. Disposals					
1. Realised gains	EUR	5,752,477.88	EUR	2,848,622.10	
2. Realised losses	EUR	-840,479.71	EUR	-1,416,662.45	
Gain/loss on disposals	EUR	4,911,998.17	EUR	1,431,959.65	
V. Annual realised results	EUR	11,674,143.78	EUR	12,012,846.56	
1. Net change in unrealised gains	EUR	12,313,298.75	EUR	5,520,868.24	
2. Net change in unrealised losses	EUR	109,880.62	EUR	2,210,964.73	
VI. Annual unrealised results	EUR	12,423,179.37	EUR	7,731,832.97	
VII. Result for the financial year	EUR	24,097,323.15	EUR	19,744,679.53	

iShares STOXX Europe 600 Media UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	32,185.70	EUR	27,677.65	
2. Dividends from foreign issuers (before withholding tax)	EUR	339,476.28	EUR	1,064,596.14	
3. Income from securities lending and securities repurchase agreements	EUR	146.77	EUR	0.00	
4. Deduction of foreign withholding tax	EUR	-13,594.68	EUR	-18,027.95	
5. Other income	EUR	959.90	EUR	48,987.30	
Total income	EUR	359,173.97	EUR	1,123,233.14	
II. Expenses					
1. Interest from borrowings	EUR	-1.94	EUR	-6.29	
2. Management fee	EUR	-49,446.75	EUR	-57,028.76	
3. Other expenses	EUR	-3,420.91	EUR	-1,758.94	
Total expenses	EUR	-52,869.60	EUR	-58,793.99	
III. Ordinary net income	EUR	306,304.37	EUR	1,064,439.15	
IV. Disposals					
1. Realised gains	EUR	174,634.62	EUR	751,574.63	
2. Realised losses	EUR	-327,611.51	EUR	-851,112.36	
Gain/loss on disposals	EUR	-152,976.89	EUR	-99,537.73	
V. Annual realised results	EUR	153,327.48	EUR	964,901.42	
1. Net change in unrealised gains	EUR	-120,963.38	EUR	-1,728,285.87	
2. Net change in unrealised losses	EUR	-100,002.07	EUR	-353,040.37	
VI. Annual unrealised results	EUR	-220,965.45	EUR	-2,081,326.24	
VII. Result for the financial year	EUR	-67,637.97	EUR	-1,116,424.82	

iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from foreign issuers (before withholding tax)	EUR	38,558,054.11	EUR	31,743,875.47	
2. Income from securities lending and securities repurchase agreements	EUR	49,316.72	EUR	135,514.61	
3. Deduction of foreign withholding tax	EUR	-2,561,938.36	EUR	-1,792,568.06	
4. Other income	EUR	1,646,489.09	EUR	3,175,042.96	
Total income	EUR	37,691,921.56	EUR	33,261,864.98	
II. Expenses					
1. Interest from borrowings	EUR	-562.32	EUR	-815.04	
2. Management fee	EUR	-3,885,034.35	EUR	-2,382,770.12	
3. Other expenses	EUR	-140,242.94	EUR	-81,348.63	
Total expenses	EUR	-4,025,839.61	EUR	-2,464,933.79	
III. Ordinary net income	EUR	33,666,081.95	EUR	30,796,931.19	
IV. Disposals					
1. Realised gains	EUR	25,674,255.49	EUR	6,412,516.74	
2. Realised losses	EUR	-5,652,475.49	EUR	-13,263,163.46	
Gain/loss on disposals	EUR	20,021,780.00	EUR	-6,850,646.72	
V. Annual realised results	EUR	53,687,861.95	EUR	23,946,284.47	
1. Net change in unrealised gains	EUR	-8,495,911.15	EUR	49,225,290.15	
2. Net change in unrealised losses	EUR	-8,842,851.92	EUR	38,236,067.59	
VI. Annual unrealised results	EUR	-17,338,763.07	EUR	87,461,357.74	
VII. Result for the financial year	EUR	36,349,098.88	EUR	111,407,642.21	

iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from domestic issuers	EUR	137,600.36	EUR	75,239.92
2. Dividends from foreign issuers (before withholding tax)	EUR	5,057,381.78	EUR	1,493,763.05
3. Income from securities lending and securities repurchase agreements	EUR	222.96	EUR	0.00
4. Deduction of foreign withholding tax	EUR	-114,400.09	EUR	-65,752.60
5. Other income	EUR	15,911.28	EUR	15,385.44
Total income	EUR	5,096,716.29	EUR	1,518,635.81
II. Expenses				
1. Interest from borrowings	EUR	-93.60	EUR	-30.22
2. Management fee	EUR	-396,090.75	EUR	-232,331.47
3. Other expenses	EUR	-15,648.18	EUR	-8,032.04
Total expenses	EUR	-411,832.53	EUR	-240,393.73
III. Ordinary net income	EUR	4,684,883.76	EUR	1,278,242.08
IV. Disposals				
1. Realised gains	EUR	3,124,878.90	EUR	2,930,989.19
2. Realised losses	EUR	-2,171,324.13	EUR	-246,023.43
Gain/loss on disposals	EUR	953,554.77	EUR	2,684,965.76
V. Annual realised results	EUR	5,638,438.53	EUR	3,963,207.84
1. Net change in unrealised gains	EUR	-4,189,619.89	EUR	2,002,913.84
2. Net change in unrealised losses	EUR	-5,672,419.27	EUR	334,278.59
VI. Annual unrealised results	EUR	-9,862,039.16	EUR	2,337,192.43
VII. Result for the financial year	EUR	-4,223,600.63	EUR	6,300,400.27

iShares STOXX Europe 600 Real Estate UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from domestic issuers	EUR	81,200.45	EUR	-110,050.93
2. Dividends from foreign issuers (before withholding tax) ²⁾	EUR	2,351,996.35	EUR	4,227,461.35
3. Income from securities lending and securities repurchase agreements	EUR	12,864.38	EUR	13,985.44
4. Deduction of foreign withholding tax	EUR	-292,125.57	EUR	-299,011.21
5. Other income	EUR	120,285.66	EUR	182,483.28
Total income	EUR	2,274,221.27	EUR	4,014,867.93
II. Expenses				
1. Interest from borrowings	EUR	-172.66	EUR	-143.07
2. Management fee	EUR	-391,776.08	EUR	-409,811.28
3. Other expenses	EUR	-15,460.17	EUR	-14,171.01
Total expenses	EUR	-407,408.91	EUR	-424,125.36
III. Ordinary net income	EUR	1,866,812.36	EUR	3,590,742.57
IV. Disposals				
1. Realised gains	EUR	4,559,146.82	EUR	4,685,981.71
2. Realised losses	EUR	-4,250,143.12	EUR	-2,154,138.39
Gain/loss on disposals	EUR	309,003.70	EUR	2,531,843.32
V. Annual realised results	EUR	2,175,816.06	EUR	6,122,585.89
1. Net change in unrealised gains	EUR	84,482.22	EUR	-808,469.01
2. Net change in unrealised losses	EUR	-1,046,521.30	EUR	-363,301.70
VI. Annual unrealised results	EUR	-962,039.08	EUR	-1,171,770.71
VII. Result for the financial year	EUR	1,213,776.98	EUR	4,950,815.18

2) Includes dividends within the meaning of Section 19 Paragraph 1 of the German REIT Act amounting to EUR 1,937,378.93

iShares STOXX Europe 600 Retail UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from domestic issuers	EUR	12,738.56	EUR	9,343.38
2. Dividends from foreign issuers (before withholding tax)	EUR	508,125.64	EUR	635,134.52
3. Income from securities lending and securities repurchase agreements	EUR	2,016.46	EUR	0.00
4. Deduction of foreign withholding tax	EUR	-28,720.15	EUR	-31,386.29
5. Other income	EUR	12,526.01	EUR	39,338.84
Total income	EUR	506,686.52	EUR	652,430.45
II. Expenses				
1. Interest from borrowings	EUR	-44.57	EUR	-125.29
2. Management fee	EUR	-109,118.18	EUR	-64,452.58
3. Other expenses	EUR	-6,472.86	EUR	-1,970.01
Total expenses	EUR	-115,635.61	EUR	-66,547.88
III. Ordinary net income	EUR	391,050.91	EUR	585,882.57
IV. Disposals				
1. Realised gains	EUR	1,739,884.45	EUR	539,454.67
2. Realised losses	EUR	-3,774,893.04	EUR	-1,666,731.37
Gain/loss on disposals	EUR	-2,035,008.59	EUR	-1,127,276.70
V. Annual realised results	EUR	-1,643,957.68	EUR	-541,394.13
1. Net change in unrealised gains	EUR	540,834.80	EUR	22,827.17
2. Net change in unrealised losses	EUR	-46,159.20	EUR	477,809.17
VI. Annual unrealised results	EUR	494,675.60	EUR	500,636.34
VII. Result for the financial year	EUR	-1,149,282.08	EUR	-40,757.79

iShares STOXX Europe 600 Technology UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	302,949.21	EUR	151,217.47	
2. Dividends from foreign issuers (before withholding tax)	EUR	721,426.22	EUR	948,732.61	
3. Interest from domestic liquidity investments	EUR	5.44	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	60.29	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-61,252.93	EUR	-83,402.27	
6. Other income	EUR	16,394.30	EUR	366,875.86	
Total income	EUR	979,582.53	EUR	1,383,423.67	
II. Expenses					
1. Interest from borrowings	EUR	-60.52	EUR	-3,974.97	
2. Management fee	EUR	-501,256.43	EUR	-229,890.97	
3. Other expenses	EUR	-18,555.90	EUR	-8,448.74	
Total expenses	EUR	-519,872.85	EUR	-242,314.68	
III. Ordinary net income	EUR	459,709.68	EUR	1,141,108.99	
IV. Disposals					
1. Realised gains	EUR	13,227,830.35	EUR	9,198,746.52	
2. Realised losses	EUR	-1,026,713.98	EUR	-4,355,747.18	
Gain/loss on disposals	EUR	12,201,116.37	EUR	4,842,999.34	
V. Annual realised results	EUR	12,660,826.05	EUR	5,984,108.33	
1. Net change in unrealised gains	EUR	3,709,660.36	EUR	2,864,247.14	
2. Net change in unrealised losses	EUR	-1,398,467.39	EUR	1,245,806.16	
VI. Annual unrealised results	EUR	2,311,192.97	EUR	4,110,053.30	
VII. Result for the financial year	EUR	14,972,019.02	EUR	10,094,161.63	

iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	0.00	EUR	-5,831,507.36	
2. Dividends from foreign issuers (before withholding tax)	EUR	14,966,766.27	EUR	43,844,423.44	
3. Interest from domestic liquidity investments	EUR	3.56	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	15,745.00	EUR	0.00	
5. Deduction of foreign withholding tax	EUR	-932,916.16	EUR	-471,319.47	
6. Other income	EUR	546,530.18	EUR	361,722.40	
Total income	EUR	14,596,128.85	EUR	37,903,319.01	
II. Expenses					
1. Interest from borrowings	EUR	-112.80	EUR	-273.09	
2. Management fee	EUR	-1,967,847.40	EUR	-1,296,003.33	
3. Other expenses	EUR	-74,343.60	EUR	-51,780.89	
Total expenses	EUR	-2,042,303.80	EUR	-1,348,057.31	
III. Ordinary net income	EUR	12,553,825.05	EUR	36,555,261.70	
IV. Disposals					
1. Realised gains	EUR	7,832,367.17	EUR	-30,086,644.56	
2. Realised losses	EUR	-33,777,757.11	EUR	-11,567,414.26	
Gain/loss on disposals	EUR	-25,945,389.94	EUR	-41,654,058.82	
V. Annual realised results	EUR	-13,391,564.89	EUR	-5,098,797.12	
1. Net change in unrealised gains	EUR	-4,471,767.29	EUR	-3,418,205.30	
2. Net change in unrealised losses	EUR	-15,695,501.34	EUR	-12,145,302.19	
VI. Annual unrealised results	EUR	-20,167,268.63	EUR	-15,563,507.49	
VII. Result for the financial year	EUR	-33,558,833.52	EUR	-20,662,304.61	

iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017
I. Income				
1. Dividends from domestic issuers	EUR	79,284.09	EUR	99,258.64
2. Dividends from foreign issuers (before withholding tax)	EUR	1,046,031.81	EUR	1,108,435.38
3. Income from securities lending and securities repurchase agreements	EUR	547.96	EUR	0.00
4. Deduction of foreign withholding tax	EUR	-9,906.87	EUR	-7,492.09
5. Other income	EUR	3,643.83	EUR	21,052.38
Total income	EUR	1,119,600.82	EUR	1,221,254.31
II. Expenses				
1. Interest from borrowings	EUR	-25.12	EUR	-12.25
2. Management fee	EUR	-125,575.45	EUR	-127,191.46
3. Other expenses	EUR	-14,644.65	EUR	-4,446.99
Total expenses	EUR	-140,245.22	EUR	-131,650.70
III. Ordinary net income	EUR	979,355.60	EUR	1,089,603.61
IV. Disposals				
1. Realised gains	EUR	1,601,759.10	EUR	1,497,176.50
2. Realised losses	EUR	-1,277,452.98	EUR	-2,315,147.95
Gain/loss on disposals	EUR	324,306.12	EUR	-817,971.45
V. Annual realised results	EUR	1,303,661.72	EUR	271,632.16
1. Net change in unrealised gains	EUR	-518,073.59	EUR	-2,771,555.36
2. Net change in unrealised losses	EUR	238,938.93	EUR	-73,002.77
VI. Annual unrealised results	EUR	-279,134.66	EUR	-2,844,558.13
VII. Result for the financial year	EUR	1,024,527.06	EUR	-2,572,925.97

iShares STOXX Europe 600 Utilities UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	564,182.39	EUR	836,188.76	
2. Dividends from foreign issuers (before withholding tax)	EUR	17,697,364.31	EUR	14,931,912.84	
3. Interest from domestic liquidity investments	EUR	3.57	EUR	0.00	
4. Income from securities lending and securities repurchase agreements	EUR	28,723.32	EUR	56,190.40	
5. Deduction of foreign withholding tax	EUR	-990,512.42	EUR	-733,030.88	
6. Other income	EUR	2,169,650.58	EUR	3,068,873.54	
Total income	EUR	19,469,411.75	EUR	18,160,134.66	
II. Expenses					
1. Interest from borrowings	EUR	-517.09	EUR	-657.21	
2. Management fee	EUR	-1,757,386.84	EUR	-1,249,428.54	
3. Other expenses	EUR	-115,267.22	EUR	-61,103.48	
Total expenses	EUR	-1,873,171.15	EUR	-1,311,189.23	
III. Ordinary net income	EUR	17,596,240.60	EUR	16,848,945.43	
IV. Disposals					
1. Realised gains	EUR	14,231,720.95	EUR	654,468.60	
2. Realised losses	EUR	-13,426,880.75	EUR	-5,733,114.78	
Gain/loss on disposals	EUR	804,840.20	EUR	-5,078,646.18	
V. Annual realised results	EUR	18,401,080.80	EUR	11,770,299.25	
1. Net change in unrealised gains	EUR	252,765.90	EUR	-1,369,928.91	
2. Net change in unrealised losses	EUR	-13,507,725.25	EUR	3,318,262.51	
VI. Annual unrealised results	EUR	-13,254,959.35	EUR	1,948,333.60	
VII. Result for the financial year	EUR	5,146,121.45	EUR	13,718,632.85	

iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

“Interim Profit and Loss Account”

for the period from 01/03/2017 to 28/02/2018

		2017/2018		2016/2017	
I. Income					
1. Dividends from domestic issuers	EUR	1,125,192.19	EUR	828,861.36	
2. Dividends from foreign issuers (before withholding tax) ³⁾	EUR	65,022,989.11	EUR	70,271,306.12	
3. Interest from domestic liquidity investments	EUR	1,983.79	EUR	1,686.63	
4. Income from securities lending and securities repurchase agreements	EUR	45,151.70	EUR	211,710.42	
5. Deduction of foreign withholding tax	EUR	-5,778,744.15	EUR	-4,867,380.87	
6. Other income	EUR	4,404,980.03	EUR	3,369,647.83	
Total income	EUR	64,821,552.67	EUR	69,815,831.49	
II. Expenses					
1. Interest from borrowings	EUR	-2,058.61	EUR	-3,010.57	
2. Management fee	EUR	-5,513,762.08	EUR	-4,987,743.84	
3. Other expenses	EUR	-173,913.56	EUR	-166,926.65	
Total expenses	EUR	-5,689,734.25	EUR	-5,157,681.06	
III. Ordinary net income	EUR	59,131,818.42	EUR	64,658,150.43	
IV. Disposals					
1. Realised gains	EUR	46,960,808.86	EUR	58,045,168.70	
2. Realised losses	EUR	-27,036,165.59	EUR	-17,757,645.89	
Gain/loss on disposals	EUR	19,924,643.27	EUR	40,287,522.81	
V. Annual realised results	EUR	79,056,461.69	EUR	104,945,673.24	
1. Net change in unrealised gains	EUR	-64,310,103.54	EUR	57,254,705.85	
2. Net change in unrealised losses	EUR	-58,326,604.04	EUR	48,356,494.13	
VI. Annual unrealised results	EUR	-122,636,707.58	EUR	105,611,199.98	
VII. Result for the financial year	EUR	-43,580,245.89	EUR	210,556,873.22	

3) Includes dividends within the meaning of Section 19 Paragraph 1 of the German REIT Act amounting to EUR 17,512,378.72

Notes as at 28/02/2018

1. General information

The annual financial statements of iShares (DE) I Investment Corporation with Sub-Funds (“iShares (DE) I”) have been prepared in accordance with the provisions of Section 120 of the German Investment Code (“KAGB”), taking into account the Ordinance on the Content, Scope and Presentation of Investment Schemes, Investment Stock Companies and the investment limited liability company and the valuation of the assets belonging to the investment fund (“KARBV”) of 16 July 2013, and the corresponding commercial law provisions.

The balance sheet was drawn up in accordance with Section 120 Para. 2 in conjunction with Section 101 Para. 1 Sentence 3 No. 1 KAGB. The profit and loss account is in accordance with Section 120 para. 3 in conjunction with Section 101 Para. 1 Sentence 3 No. 4 KAGB.

The information to be included in the notes of the investment stock corporation pursuant to Section 120 Para. 4 KAGB in accordance with Section 101 Para. 1 KAGB is given in the appendix to this Annex.

As at 28/02/2018 iShares (DE) I consists of twenty-one sub-funds:

- iShares I Founder Shares
- iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)
- iShares STOXX Europe 600 Banks UCITS ETF (DE)
- iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)
- iShares STOXX Europe 600 Chemicals UCITS ETF (DE)
- iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)
- iShares STOXX Europe 600 Financial Services UCITS ETF (DE)
- iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)
- iShares STOXX Europe 600 Health Care UCITS ETF (DE)
- iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)
- iShares STOXX Europe 600 Insurance UCITS ETF (DE)
- iShares STOXX Europe 600 Media UCITS ETF (DE)
- iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)
- iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)
- iShares STOXX Europe 600 Real Estate UCITS ETF (DE)
- iShares STOXX Europe 600 Retail UCITS ETF (DE)
- iShares STOXX Europe 600 Technology UCITS ETF (DE)
- iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
- iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)
- iShares STOXX Europe 600 Utilities UCITS ETF (DE)
- iShares STOXX Global Select Dividend 100 UCITS ETF (DE)

2. Accounting and valuation principles

Valuation of the investment fund units in the “iShares I Founder Shares” sub-fund and the equities and derivatives in the other 20 sub-funds was carried out at the last known stock exchange prices or those determined on 28/02/2018. Securities in the 20 exchange-traded sub-funds as at the reporting date were valued without exception on the basis of prices traded on the stock exchange. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Investment fund units are generally valued at their last determined redemption price or the last available traded price which ensures a reliable valuation. If these values are not available, investment fund units are valued at their current market value, assessed with due care using appropriate valuation models and taking into consideration the current overall market situation.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable. Securities not denominated in euros are converted at the mean spot exchange rate on the same day.

3. Notes to the balance sheet

Cash at banks includes demand deposits at the Custodian Bank.

The composition of the securities in the respective sub-funds of the Company may be found in the investment portfolio included in the information on the individual sub-funds pursuant to Section 101 Paragraph 1 sentence 3 no. 1 (see annex).

The other assets of the sub-funds include dividends and withholding tax refund claims, foreign exchange spot receivables and initial and variation margin payments with a remaining term of less than twelve months.

Other liabilities include administration fees, liabilities from foreign exchange spot transactions, security transactions and variation margin payments received.

On the balance sheet date 28/02/2018, there exist 3,000 company shares (previous year: 3.000) with a value of €100.20 (previous year: EUR 101.24) per unit, which shall be held entirely by BlackRock Asset Management Deutschland AG, Munich (hereinafter referred to as "BAMDE").

In addition, as at 28/02/2018, the following investment shares existed, which are held in full in the respective sub-funds:

- iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE):
3,380,000 non-voting shares (previous year: 4,040,000) with a value of €59.33 (previous year: €52.91) per unit
- iShares STOXX Europe 600 Banks UCITS ETF (DE):
54,750,000 non-voting shares (previous year: 33,200,000) with a value of €18.39 (previous year: €17.14) per unit
- iShares STOXX Europe 600 Basic Resources UCITS ETF (DE):
9,850,000 non-voting shares (previous year: 8,550,000) with a value of €47.37 (previous year: €43.04) per unit
- iShares STOXX Europe 600 Chemicals UCITS ETF (DE):
925,000 non-voting shares (previous year: 1,350,000) with a value of €92.47 (previous year: €86.37) per unit
- iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE):
1,940,000 non-voting shares (previous year: 2,200,000) with a value of €44.47 (previous year: €43.98) per unit
- iShares STOXX Europe 600 Financial Services UCITS ETF (DE):
1,320,000 non-voting shares (previous year: 420,000) with a value of €48.06 (previous year: €42.63) per unit
- iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE):
3,100,000 non-voting shares (previous year: 2,875,000) with a value of €62.39 (previous year: €62.64) per unit
- iShares STOXX Europe 600 Health Care UCITS ETF (DE):
6,950,000 non-voting shares (previous year: 10,500,000) with a value of €68.39 (previous year: €74.92) per unit
- iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE):
2,950,000 non-voting shares (previous year: 1,850,000) with a value of €52.95 (previous year: €48.71) per unit
- iShares STOXX Europe 600 Insurance UCITS ETF (DE):
9,800,000 non-voting shares (previous year: 5,750,000) with a value of €29.26 (previous year: €26.91) per unit
- iShares STOXX Europe 600 Media UCITS ETF (DE):
420,000 non-voting shares (previous year: 420,000) with a value of €25.70 (previous year: €27.46) per unit
- iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE):
28,050,000 non-voting shares (previous year: 18,200,000) with a value of €30.76 (previous year: €31.03) per unit
- iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE):
1,050,000 non-voting shares (previous year: 675,000) with a value of €75.28 (previous year: €82.15) per unit
- iShares STOXX Europe 600 Real Estate UCITS ETF (DE):
4,900,000 non-voting shares (previous year: 5,250,000) with a value of €16.91 (previous year: €17.13) per unit
- iShares STOXX Europe 600 Retail UCITS ETF (DE):
800,000 non-voting shares (previous year: 420,000) with a value of €29.08 (previous year: €30.12) per unit
- iShares STOXX Europe 600 Technology UCITS ETF (DE):
2,700,000 non-voting shares (previous year: 1,450,000) with a value of €42.71 (previous year: €37.99) per unit
- iShares STOXX Europe 600 Telecommunications UCITS ETF (DE):
16,850,000 non-voting shares (previous year: 10,800,000) with a value of €23.17 (previous year: €27.97) per unit
- iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE):
1,150,000 non-voting shares (previous year: 1,250,000) with a value of €24.63 (previous year: €23.14) per unit
- iShares STOXX Europe 600 Utilities UCITS ETF (DE):
13,350,000 non-voting shares (previous year: 11,750,000) with a value of €26.54 (previous year: €27.77) per unit
- iShares STOXX Global Select Dividend 100 UCITS ETF (DE):
44,750,000 non-voting shares (previous year: 41,850,000) with a value of €26.51 (previous year: €28.93) per unit

4. Notes to the income statement

The Company's income primarily comprises dividends income from the securities in the individual sub-funds, and income from withholding tax refunds and securities lending and repurchase agreements.

The expenses primarily comprise administration fees. The other expenses primarily comprise custodian fees.

The realised profits and losses are primarily the result of transactions involving bonds that were carried out as a consequence of changes in indices, corporate actions and the redemption of shares.

The realised gains and losses on iShares I Founder Shares are due to the sales of the following target funds: DE000A0H0793, IE00B3VTMJ91, IE00BCRY6557 and IE00B1FZS681.

Detailed information on the sub-funds may be found in the sub-funds' annual reports attached as annexes hereto.

5. Employees

The Company does not have any employees.

6. Members of the Management Board and of the Supervisory Board

The members of the Management Board are as follows:

Dirk Schmitz

Chairman of BlackRock Asset Management Deutschland AG, Munich, since 09/03/2018

Alexander Mertz

Member of the Management Board of BlackRock Asset Management Deutschland AG (Chairman during the period from 31/10/2017 to 09/03/2018), Munich

Harald Klug

Member of the Management Board of BlackRock Asset Management Deutschland AG, Munich

Peter Scharl

Member of the Management Board of BlackRock Asset Management Deutschland AG, Munich, since 28/08/2017

Members leaving the Management Board:

Christian Staub

CEO of BlackRock Asset Management Deutschland AG, Munich, until 31/10/2017

The Supervisory Board is composed as follows:

Barry O'Dwyer, Chairman

Managing Director, BlackRock, Dublin, Ireland

Thomas Fekete, Vice Chairman, Member of the Supervisory Board

Managing Director, BlackRock, London, United Kingdom

Harald Mährle

Member of the Supervisory Board of BlackRock Asset Management Deutschland AG, Munich

Managing Partner, Raymond James Corporate Finance GmbH, Munich

Harald Mährle complies with the requirements as an independent member of the Supervisory Board within the meaning of Section 119 KAGB in conjunction with Section 18 Para. 3 KAGB in conjunction with Section 101 Para. 1 AktG.

Munich, 17 May 2018

iShares (DE) I Investment Stock Company with Sub-funds

Management Board

Dirk Schmitz

Alexander Mertz

Harald Klug

Peter Scharl

**Annual report for iShares I Founder Shares
for the reporting period from 01/03/2017 to 28/02/2018**

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁾
Securities								294,097.67	97.84
Investment fund units								294,097.67	97.84
Group's own investment fund units								294,097.67	97.84
iShares eb.rexx® Government Germany 1.5-2.5yr UCITS ETF (DE)	DE0006289473		UNITS	667	-	- EUR	87.550	58,395.85	19.43
iShares eb.rexx® Money Market UCITS ETF (DE)	DE000A0Q4RZ9		UNITS	739	-	- EUR	79.152	58,493.70	19.46
iShs VII-EGBd1-3yr U.ETF EOAcc Registered Shares o.N.	IE00B3VTMJ91		UNITS	528	-	9 EUR	112.230	59,257.44	19.71
iShsII-EO Govt Bd 3-5yr U.ETF Registered Shares o.N.	IE00B1FZS681		UNITS	345	350	5 EUR	169.905	58,617.23	19.50
iShsIV-EO Ultrashort Bd U.ETF Registered Shares o.N.	IE00BCRY6557		UNITS	591	-	9 EUR	100.395	59,333.45	19.74
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								4,735.81	1.58
Bank accounts								4,735.81	1.58
EUR balances								4,735.81	1.58
Depository: State Street Bank International GmbH			EUR	4,735.81		%	100.000	4,735.81	1.58
Other assets								2,368.00	0.79
Other receivables			EUR	2,368.00				2,368.00	0.79
Other liabilities								-24.03	-0.01
Management fee			EUR	-20.72				-20.72	-0.01
Other liabilities			EUR	-3.31				-3.31	-0.00
Provisions								-585.00	-0.19
sub-funds							EUR	300,592.45	100.00
Share value							EUR	100.20	
Shares in circulation							Units	3,000	

4) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals
Securities			
Investment fund units			
Group's own investment fund units			
iShares Euro Government Bond Capped 1.5-2.5yr UCITS ETF (DE)	DE000A0H0793	UNITS	610

**Annual report for iShares I Founder Shares
for the reporting period from 01/03/2017 to 28/02/2018**

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Income from investment units	EUR	1,571.67
2. Other income	EUR	6.19
Total income	EUR	1,577.86
II. Expenses		
1. Management fee	EUR	-272.06
2. Other expenses	EUR	-1,414.53
Total expenses	EUR	-1,686.59
III. Ordinary net income	EUR	-108.73
IV. Disposals		
1. Realised gains	EUR	13.93
2. Realised losses	EUR	-1,258.03
Gain/loss on disposals	EUR	-1,244.10
V. Annual realised results	EUR	-1,352.83
1. Net change in unrealised gains	EUR	199.98
2. Net change in unrealised losses	EUR	-1,977.03
VI. Annual unrealised results	EUR	-1,777.05
VII. Result for the financial year	EUR	-3,129.88

Change in sub-fund assets

			2017/2018
I. Value of sub-fund assets at beginning of the financial year			EUR 303,722.33
1. Inflow/outflow of funds (net)			EUR 0.00
a) Inflow of funds from sale of equities	EUR	0.00	
b) Outflow of funds from redemption of equities	EUR	0.00	
2. Income adjustment/cost compensation			EUR 0.00
3. Result for the financial year			EUR -3,129.88
of which unrealised gains	EUR	199.98	
of which unrealised losses	EUR	-1,977.03	
II. Value of sub-fund assets at end of financial year			EUR 300,592.45

**Annual report for iShares I Founder Shares
for the reporting period from 01/03/2017 to 28/02/2018**

Use of income of the sub-fund.

Calculation of reinvestment (total and per share)

		Total	Per share
I. Available for reinvestment	EUR	-94.80	-0.03
1. Realised net income for the financial year	EUR	-1,352.83	-0.45
2. Transfer from sub-fund assets	EUR	1,258.03	0.42
3. Tax deduction amount made available	EUR	0.00	0.00
II. Reinvestment	EUR	-94.80	-0.03

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	300,592.45	100.20
2016/2017	EUR	303,722.33	101.24
2015/2016	EUR	306,267.94	102.09
2014/2015	EUR	307,402.32	102.47

**Annual report for iShares I Founder Shares
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	100.20
Shares in circulation	Units	3,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Investment fund units: Latest determined redemption prices or latest available tradable prices

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Investment fund units are generally valued at their last determined redemption price or the last available traded price which ensures a reliable valuation. If these values are not available, investment fund units are valued at their current market value, assessed with due care using appropriate valuation models and taking into consideration the current overall market situation.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Annual report for iShares I Founder Shares for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.10%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

In accordance with the terms and conditions of investment, a fixed fee of 0.09% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 1.4539% p.a. is due to the depository based on the average net asset value, and 3.0182% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- a) Expenses resulting from the purchase and sale of assets (transaction costs);
- b) Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- c) Expenses related to day-to-day account management;
- d) Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- e) Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares I Founder Shares received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 6.19 is broken down as follows:

b) Other income:	EUR	6.19
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Other expenses amounting to EUR 1,414.53 are broken down as follows:

a) Bank custody fees:	EUR	40.76
b) Tax expenses:	EUR	1,347.90
b) Other expenditure:	EUR	25.87

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 35.16.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Annual report for iShares I Founder Shares for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard.

The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares I Founder Shares for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares I Founder Shares for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

Annual report for iShares I Founder Shares for the reporting period from 01/03/2017 to 28/02/2018

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

In the period under review, no transactions as defined by Article 3 No. 11 and No. 18 of Regulation (EU) 2015/2365 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 were carried out, i.e. securities financing transactions or total return swaps.

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Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁾
Securities								200,574,072.76	100.01
Exchange-traded securities								200,574,072.76	100.01
Shares								200,574,072.76	100.01
Bayerische Motoren Werke AG Stammaktien EO 1	DE0005190003		Units	222,168	159,428	213,247	EUR 86.820	19,288,625.76	9.62
Cie Génle Étis Michelin SCpA Actions Nom. EO 2	FR0000121261		Units	124,603	89,090	121,386	EUR 126.700	15,787,200.10	7.87
Compagnie Plastic Omnium S.A. Actions Port. EO -.06	FR0000124570		Units	44,275	32,944	46,288	EUR 38.620	1,709,900.50	0.85
Continental AG Inhaber-Aktien o.N.	DE0005439004		Units	74,641	53,438	71,765	EUR 225.700	16,846,473.70	8.40
Daimler AG Namens-Aktien o.N.	DE0007100000		Units	688,798	493,023	662,136	EUR 70.470	48,539,595.06	24.20
Faurecia S.A. Actions Port. EO 7	FR0000121147		Units	50,924	36,496	48,927	EUR 69.280	3,528,014.72	1.76
Ferrari N.V. Aandelen op naam EO -.01	NL0011585146		Units	86,814	63,034	88,645	EUR 102.500	8,898,435.00	4.44
Fiat Chrysler Automobiles N.V. Aandelen op naam EO 0.01	NL0010877643		Units	753,780	698,196	730,581	EUR 17.572	13,245,422.16	6.60
GKN PLC Registered Shares LS -.10	GB0030646508		Units	1,192,912	854,005	1,146,753	GBP 4.378	5,899,985.49	2.94
Nokian Renkaat Oyj Registered Shares EO 0.2	FI0009005318		Units	94,823	67,765	89,933	EUR 37.770	3,581,464.71	1.79
Peugeot S.A. Actions Port. (C.R.) EO 1	FR0000121501		Units	388,024	305,888	328,816	EUR 18.615	7,223,066.76	3.60
Pirelli & C. S.p.A. Azioni nom. o.N.	IT0005278236		Units	254,942	265,655	10,713	EUR 7.288	1,858,017.30	0.93
Porsche Automobil Holding SE Inhaber-Vorzugsaktien o.St.o.N	DE000PAH0038		Units	105,827	75,730	101,711	EUR 69.120	7,314,762.24	3.65
Renault S.A. Actions Port. EO 3.81	FR0000131906		Units	143,045	104,312	127,389	EUR 89.480	12,799,666.60	6.38
Rheinmetall AG Inhaber-Aktien o.N.	DE0007030009		Units	30,105	21,533	28,923	EUR 109.000	3,281,445.00	1.64
Schaeffler AG Inhaber-Vorzugsakt.o.St. o.N.	DE000SHA0159		Units	114,724	82,111	110,277	EUR 13.355	1,532,139.02	0.76
Valéo S.A. Actions Port. EO 1	FR0013176526		Units	165,628	118,388	157,961	EUR 53.460	8,854,472.88	4.42
Volkswagen AG Vorzugsaktien o.St. o.N.	DE0007664039		Units	126,523	90,545	121,605	EUR 161.120	20,385,385.76	10.16
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								34,696.38	0.02
Bank accounts								34,696.38	0.02
EUR balances								34,693.49	0.02
Depository: State Street Bank International GmbH			EUR	34,693.49			% 100.000	34,693.49	0.02
Balances in other EU/EEA currencies								2.89	0.00
Depository: State Street Bank International GmbH			GBP	2.56			% 100.000	2.89	0.00
Other assets								12,486.38	0.01
Withholding tax reimbursement claims			EUR	12,486.38				12,486.38	0.01
Other liabilities								-69,003.77	-0.03
Management fee			EUR	-67,222.43				-67,222.43	-0.03
Other liabilities			EUR	-1,781.34				-1,781.34	-0.00
sub-funds							EUR	200,552,251.75	100.00
Share value							EUR	59.33	
Shares in circulation							Units	3,380,000	

5) Rounding of percentages during the calculation may result in slight rounding differences.

**Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)
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Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
GEDI Gruppo Editoriale S.p.A. Azioni nom. EO 0.15	IT0001398541	Units	47,220	47,220	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying					5,555
STXE 600 Automobiles & Parts Index (Price) (EUR)				security(ies):	

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 9,921

Underlyings:

Faurecia S.A. Actions Port. EO 7 (FR0000121147)

Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	4,807,460.24
2. Dividends from foreign issuers (before withholding tax)	EUR	1,832,187.09
3. Interest from domestic liquidity investments	EUR	0.31
4. Income from securities lending and securities repurchase agreements	EUR	606.69
5. Deduction of foreign withholding tax	EUR	-27,977.15
Total income	EUR	6,612,277.18
II. Expenses		
1. Interest from borrowings	EUR	-271.54
2. Management fee	EUR	-847,726.30
3. Other expenses	EUR	-27,760.10
Total expenses	EUR	-875,757.94
III. Ordinary net income	EUR	5,736,519.24
IV. Disposals		
1. Realised gains	EUR	11,307,992.98
2. Realised losses	EUR	-1,203,847.07
Gain/loss on disposals	EUR	10,104,145.91
V. Annual realised results	EUR	15,840,665.15
1. Net change in unrealised gains	EUR	10,829,578.63
2. Net change in unrealised losses	EUR	-306,467.40
VI. Annual unrealised results	EUR	10,523,111.23
VII. Result for the financial year	EUR	26,363,776.38

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	213,747,395.53
1. Distribution for the previous year	EUR	-23,591.08
2. Interim distributions	EUR	-8,339,675.64
3. Inflow/outflow of funds (net)	EUR	-29,343,994.00
a) Inflow of funds from sale of equities	EUR	126,085,530.00
b) Outflow of funds from redemption of equities	EUR	-155,429,524.00
4. Income adjustment/cost compensation	EUR	-1,851,659.44
5. Result for the financial year	EUR	26,363,776.38
of which unrealised gains	EUR	10,829,578.63
of which unrealised losses	EUR	-306,467.40
II. Value of sub-fund assets at end of financial year	EUR	200,552,251.75

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	41,934,334.78	12.41
1. Carryforward from the previous year ⁶⁾	EUR	24,889,822.56	7.36
2. Realised net income for the financial year	EUR	15,840,665.15	4.69
3. Transfer from sub-fund assets ⁷⁾	EUR	1,203,847.07	0.36
II. Not used for distribution	EUR	-33,594,659.14	-9.94
1. Reinvested	EUR	-3,511,821.38	-1.04
2. Carryforward to new account	EUR	-30,082,837.76	-8.90
III. Total pay-out	EUR	8,339,675.64	2.47
1. Interim distribution	EUR	8,339,675.64	2.47
2. Final year-end distribution	EUR	0.00	0.00

6) Difference from the previous year because of income adjustment calculated on carryforwards.

7) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	200,552,251.75	59.33
2016/2017	EUR	213,747,395.53	52.91
2015/2016	EUR	77,133,178.55	45.37
2014/2015	EUR	90,499,438.66	61.15

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	59.33
Shares in circulation	Units	3,380,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

All securities: Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
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Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0001% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	227.51
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0126% p.a. is due to the depository based on the average net asset value, and 0.0462% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other expenses amounting to EUR 27,760.10 are broken down as follows:

a) Bank custody fees:	EUR	21,789.85
b) Other expenditure:	EUR	5,970.25

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 12,248.42.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.50 percentage points
Annual tracking difference level	0.37 percentage points

The STOXX® Europe 600 Automobiles & Parts Index (Net Total Return Index) posted a performance of 16.62% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) recorded a performance of 16.99% during the same period.

Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading “Link between pay and performance”) may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the “Partner Plan” and the “Targeted Equity Award Plan” will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual’s role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the “BlackRock Performance Incentive Plan” (“BPIP”). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock’s achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock’s financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have “skin in the game” through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock’s interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock’s remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals’ services attributable to the Manager’s UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.’s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 606.69
Income share as % of gross income	62.50
Absolute cost share	EUR 227.51

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets (8)
Securities								1,001,316,111.25	99.47
Exchange-traded securities								1,001,316,111.25	99.47
Shares								1,001,316,111.25	99.47
ABN AMRO Group N.V. Aand.op naam Dep.Rec./EO 1	NL0011540547		Units	370,982	220,875	15,834	EUR 25.600	9,497,139.20	0.94
AlB Group PLC Registered Shares EO -.625	IE00BF0L3536		Units	707,212	718,446	11,234	EUR 5.400	3,818,944.80	0.38
Banco Bilbao Vizcaya Argent. Acciones Nom. EO 0.49	ES0113211835		Units	6,015,484	2,456,235	315,932	EUR 6.890	41,446,684.76	4.12
Banco BPM S.p.A. Azioni o.N.	IT0005218380		Units	1,366,956	545,198	71,091	EUR 3.107	4,247,132.29	0.42
Banco de Sabadell S.A. Acciones Nom. Serie A EO -.125	ES0113860A34		Units	5,066,642	2,156,975	237,901	EUR 1.726	8,742,490.77	0.87
Banco Santander S.A. Acciones Nom. EO 0.50	ES0113900J37		Units	14,557,312	6,653,500	701,714	EUR 5.667	82,496,287.10	8.20
Bank of Ireland Group PLC Registered Shares EO 1	IE00BD1RP616		Units	837,503	859,723	22,220	EUR 7.700	6,448,773.10	0.64
BANKIA S.A. Acciones Nom.Para Contras.EO 1	ES0113307062		Units	842,933	897,969	55,036	EUR 3.928	3,311,040.82	0.33
Bankinter S.A. Acciones Nom. EO -.30	ES0113679I37		Units	582,399	232,277	30,847	EUR 9.068	5,281,194.13	0.52
Barclays PLC Registered Shares LS 0.25	GB0031348658		Units	14,458,745	5,794,886	1,335,998	GBP 2.135	34,873,477.48	3.46
BNP Paribas S.A. Actions Port. EO 2	FR0000131104		Units	1,039,095	426,543	47,411	EUR 65.370	67,925,640.15	6.75
BPER Banca S.p.A. Azioni nom. EO 3 ⁹⁾	IT0000066123		Units	387,696	164,405	60,751	EUR 4.868	1,887,304.13	0.19
Caixabank S.A. Acciones Port. EO 1	ES0140609019		Units	3,237,682	1,535,662	149,664	EUR 4.012	12,989,580.18	1.29
Cembra Money Bank AG Namens-Aktien SF 1	CH0225173167		Units	25,397	10,065	1,302	CHF 89.250	1,966,529.44	0.20
Close Brothers Group PLC Registered Shares LS -.25	GB0007668071		Units	137,153	139,043	1,890	GBP 15.700	2,432,605.82	0.24
Commerzbank AG Inhaber-Aktien o.N.	DE000CBK1001		Units	897,004	359,696	91,118	EUR 12.738	11,426,036.95	1.14
Credit Suisse Group AG Namens-Aktien SF -.04	CH0012138530		Units	2,190,412	1,115,132	91,312	CHF 17.560	33,370,301.57	3.31
Crédit Agricole S.A. Actions Port. EO 3	FR0000045072		Units	1,113,325	448,701	57,208	EUR 14.135	15,736,848.88	1.56
CYBG PLC Registered Shares LS 0.10	GB00BD6GN030		Units	797,149	318,082	41,161	GBP 3.012	2,712,446.94	0.27
Danske Bank AS Navne-Aktier DK 10	DK0010274414		Units	676,153	276,632	64,899	DKK 246.200	22,357,651.47	2.22
Deutsche Bank AG Namens-Aktien o.N.	DE0005140008		Units	1,679,934	1,087,836	221,853	EUR 13.200	22,175,128.80	2.20
DNB ASA Navne-Aksjer A NK 10	NO0010031479		Units	848,312	339,752	35,764	NOK 156.700	13,818,848.46	1.37
Erste Group Bank AG Inhaber-Aktien o.N.	AT0000652011		Units	273,752	109,125	14,439	EUR 41.910	11,472,946.32	1.14
Fincobank Banca Fineco S.p.A. Azioni nom. EO 0.33	IT0000072170		Units	353,984	367,328	13,344	EUR 10.120	3,582,318.08	0.36
HSBC Holdings PLC Registered Shares DL -.50	GB0005405286		Units	18,309,244	7,446,229	983,185	GBP 7.171	148,325,873.02	14.73
ING Groep N.V. Aandelen op naam EO -.01	NL0011821202		Units	3,505,439	1,401,251	184,516	EUR 14.478	50,751,745.84	5.04
Intesa Sanpaolo S.p.A. Azioni nom. EO 0.52	IT0000072618		Units	13,127,570	5,303,912	661,452	EUR 3.096	40,642,956.72	4.04
Julius Baer Gruppe AG Namens-Aktien SF -.02	CH0102484968		Units	201,881	80,429	10,631	CHF 61.600	10,789,118.65	1.07
Jyske Bank A/S Navne-Aktier DK 10	DK0010307958		Units	64,171	28,631	4,064	DKK 362.100	3,120,760.83	0.31
KBC Groep N.V. Parts Sociales Port. o.N.	BE0003565737		Units	236,030	93,970	11,946	EUR 77.300	18,245,119.00	1.81
Komerční Banka AS Inhaber-Aktien KC 100	CZ0008019106		Units	67,978	27,045	3,544	CZK 926.500	2,478,661.42	0.25
Lloyds Banking Group PLC Registered Shares LS -.10	GB0008706128		Units	64,920,524	29,219,156	2,627,843	GBP 0.688	50,458,836.61	5.01
Mediobanca - Bca Cred.Fin. SpA Azioni nom. EO 0.50	IT0000062957		Units	551,006	221,305	24,721	EUR 9.854	5,429,613.12	0.54
Metro Bank PLC Registered Shares LS 0.000001	GB00BZ6STL67		Units	68,218	70,174	1,956	GBP 39.520	3,045,668.96	0.30
Natixis S.A. Actions Port. EO 11.20	FR0000120685		Units	821,102	329,369	41,430	EUR 7.100	5,829,824.20	0.58
Nordea Bank AB Namn-Aktier EO 0.40	SE0000427361		Units	2,877,263	1,148,543	152,221	SEK 94.560	26,923,585.59	2.67
Raiffeisen Bank Intl AG Inhaber-Aktien o.N.	AT0000606306		Units	122,284	60,469	6,128	EUR 31.990	3,911,865.16	0.39
Royal Bk of Scotid Grp PLC,The Registered Shares LS 1	GB00B7T77214		Units	3,145,789	1,285,762	121,001	GBP 2.677	9,513,596.74	0.95
Skandinaviska Enskilda Banken Namn-Aktier A (fria) SK 10	SE0000148884		Units	1,446,343	584,420	74,716	SEK 97.920	14,014,853.93	1.39
Société Générale S.A. Actions Port. EO 1.25	FR0000130809		Units	728,706	290,546	38,452	EUR 47.120	34,336,626.72	3.41
Standard Chartered PLC Registered Shares DL -.50	GB0004082847		Units	2,506,373	1,001,271	127,587	GBP 8.108	22,957,586.10	2.28
Svenska Handelsbanken AB Namn-Aktier A (fria) SK 1.433	SE0007100599		Units	1,369,623	546,163	71,954	SEK 114.200	15,477,934.95	1.54
Swedbank AB Namn-Aktier A o.N.	SE0000242455		Units	851,432	354,174	45,994	SEK 209.000	17,609,301.42	1.75
Sydbank AS Navne-Aktier DK 10	DK0010311471		Units	63,479	25,308	4,464	DKK 239.400	2,041,020.55	0.20
UBS Group AG Namens-Aktien SF -.10	CH0244767585		Units	3,475,598	1,525,113	176,806	CHF 18.070	54,487,577.65	5.41

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁾
UniCredit S.p.A. Azioni nom. o.N.	IT0005239360		Units	1,906,741	1,643,036	82,494 EUR	17.446	33,265,003.49	3.30
Unio.di Banche Italiane S.p.A. Azioni nom. EO 2.50	IT0003487029		Units	917,518	450,295	64,933 EUR	3.969	3,641,628.94	0.36
Derivatives								-4,343.60	-0.00
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-4,343.60	-0.00
Receivables/liabilities									
Equity index futures contracts								-4,343.60	-0.00
STOXX 600 BANK MAR 18		EURX	Number	586		EUR		-4,343.60	-0.00
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								737,937.04	0.07
Bank accounts								737,937.04	0.07
EUR balances								728,155.69	0.07
Depository: State Street Bank International GmbH			EUR	728,155.69		%	100.000	728,155.69	0.07
Balances in other EU/EEA currencies								8,761.43	0.00
Depository: State Street Bank International GmbH			GBP	7,429.41		%	100.000	8,393.08	0.00
			SEK	3,722.29		%	100.000	368.35	0.00
Non-EU/EEA currencies								1,019.92	0.00
Depository: State Street Bank International GmbH			CHF	1,175.59		%	100.000	1,019.92	0.00
Other assets								4,998,388.99	0.50
Dividend claims			USD	3,844,941.24				3,152,494.24	0.31
Withholding tax reimbursement claims			CHF	3,437.00				2,981.87	0.00
			EUR	1,176,532.88				1,176,532.88	0.12
Initial margin			EUR	666,380.00				666,380.00	0.07
Liabilities arising from loans								-861.23	-0.00
Loans in other EU/EEA currencies									
			CZK	-1,183.39		%	100.000	-46.57	-0.00
			DKK	-3,562.01		%	100.000	-478.40	-0.00
			NOK	-3,234.63		%	100.000	-336.26	-0.00
Other liabilities								-387,689.71	-0.04
Management fee			EUR	-347,264.44				-347,264.44	-0.03
Received variation margin			EUR	-30,816.40				-30,816.40	-0.00
Other liabilities			EUR	-9,608.87				-9,608.87	-0.00
sub-funds							EUR	1,006,659,542.74	100.00
Share value							EUR	18.39	
Shares in circulation							Units	54,750,000	

8) Rounding of percentages during the calculation may result in slight rounding differences.

9) These securities are partially or fully transferred as securities loans.

Notes on Securities Loans

Designation of class of security		Nominal in units or currency in 1,000s	Securities lending Market value in EUR		Total
			Limited	Unlimited	
The following securities were transferred as securities loans as at the reporting date:					
BPER Banca S.p.A. Azioni nom. EO 3	IT0000066123	Units	130,000	0.00	632,840.00
Total value of securities loans repayable		EUR		0.00	632,840.00

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Allied Irish Banks PLC Registered Shares EO -.625	IE00BYSZ9G33	Units	672,703	672,703	
Banco Bilbao Vizcaya Argent. Anrechte	ES06132119E9	Units	3,905,308	3,905,308	
Banco Santander S.A. Acciones Nom. Em. 7/17 EO 0.50	ES0113902300	Units	1,026,337	1,026,337	
Banco Santander S.A. Anrechte	ES06139009Q9	Units	13,283,841	13,283,841	
Banco Santander S.A. Anrechte	ES06139009P1	Units	10,263,377	10,263,377	
BANKIA S.A. Acciones Nominativas EO 0.25	ES0113307021	Units	509,920	2,848,689	
Bco Pop. Esp. SA (POPULARBAN) Acciones Nom. EO -.50	ES0113790226	Units	492,782	2,731,968	
Credit Suisse Group AG Anrechte	CH0366349311	Units	1,274,216	1,274,216	
Deutsche Bank AG Inhaber-Bezugsrechte	DE000A2E4184	Units	795,137	795,137	
Unlisted securities					
Shares					
Bank of Ireland (The Gov.&Co.) Reg. Capital Stock EO 0.05	IE0030606259	Units	3,897,315	20,342,867	
UniCredit S.p.A. Anrechte (technisch)	IT0005319808	Units	1,783,054	1,783,054	
Unio.di Banche Italiane S.p.A. Anrechte	IT0005262230	Units	604,574	604,574	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:	41,297
Underlying STXE 600 Banks Index (Price) (EUR)	security(ies):

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 223,480

Underlyings:

BPER Banca S.p.A. Azioni nom. EO 3 (IT0000066123), Bco Pop. Esp. SA (POPULARBAN) Acciones Nom. EO -.50 (ES0113790226), CYBG PLC Registered Shares LS 0.10 (GB00BD6GN030), HSBC Holdings PLC Registered Shares DL -.50 (GB0005405286), Metro Bank PLC Registered Shares LS -.000001 (GB00BZ6STL67), Unio.di Banche Italiane S.p.A. Azioni nom. EO 2.50 (IT0003487029)

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	356,334.83
2. Dividends from foreign issuers (before withholding tax)	EUR	31,011,838.78
3. Interest from domestic liquidity investments	EUR	2.45
4. Income from securities lending and securities repurchase agreements	EUR	179,252.86
5. Deduction of foreign withholding tax	EUR	-1,867,010.75
6. Other income	EUR	3,629,911.45
Total income	EUR	33,310,329.62
II. Expenses		
1. Interest from borrowings	EUR	-724.18
2. Management fee	EUR	-4,569,447.25
3. Other expenses	EUR	-159,293.30
Total expenses	EUR	-4,729,464.73
III. Ordinary net income	EUR	28,580,864.89
IV. Disposals		
1. Realised gains	EUR	7,867,966.94
2. Realised losses	EUR	-11,818,508.21
Gain/loss on disposals	EUR	-3,950,541.27
V. Annual realised results	EUR	24,630,323.62
1. Net change in unrealised gains	EUR	37,348,640.59
2. Net change in unrealised losses	EUR	16,084,368.28
VI. Annual unrealised results	EUR	53,433,008.87
VII. Result for the financial year	EUR	78,063,332.49

Change in sub-fund assets

		2017/2018	
I. Value of sub-fund assets at beginning of the financial year		EUR	568,931,355.54
1. Distribution for the previous year		EUR	-3,511,657.80
2. Interim distributions		EUR	-35,513,687.30
3. Inflow/outflow of funds (net)		EUR	402,380,815.00
a) Inflow of funds from sale of equities	EUR	416,083,015.00	
b) Outflow of funds from redemption of equities	EUR	-13,702,200.00	
4. Income adjustment/cost compensation		EUR	-3,690,615.19
5. Result for the financial year		EUR	78,063,332.49
of which unrealised gains	EUR	37,348,640.59	
of which unrealised losses	EUR	16,084,368.28	
II. Value of sub-fund assets at end of financial year		EUR	1,006,659,542.74

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	169,713,128.24	3.10
1. Carryforward from the previous year ¹⁰⁾	EUR	133,264,296.41	2.43
2. Realised net income for the financial year	EUR	24,630,323.62	0.45
3. Transfer from sub-fund assets ¹¹⁾	EUR	11,818,508.21	0.22
II. Not used for distribution	EUR	-130,981,400.19	-2.39
1. Reinvested	EUR	0.00	0.00
2. Carryforward to new account	EUR	-130,981,400.19	-2.39
III. Total pay-out	EUR	38,731,728.05	0.71
1. Interim distribution	EUR	35,513,687.30	0.65
2. Final year-end distribution	EUR	3,218,040.75	0.06

10) Difference from the previous year because of income adjustment calculated on carryforwards.

11) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	1,006,659,542.74	18.39
2016/2017	EUR	568,931,355.54	17.14
2015/2016	EUR	351,401,687.14	14.95
2014/2015	EUR	413,547,673.58	20.83

**Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	5,448,335.00
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Counterparty to derivatives transactions:
CREDIT SUISSE SECURITIES (EUROPE) LIMITED

		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

Information where securities loans are employed pursuant to Article 37 Para. 2 DerivateV:

Level of exposure through securities loans:	EUR	632,840.00
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Counterparty to securities loans:
UniCredit Bank AG

		Market value of securities in EUR
Total value of collateral provided for securities loans:	EUR	744,959.43
of which:		
Shares		744,959.43

**Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	18.39
Shares in circulation	Units	54,750,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)
Czech koruna	(CZK)	25.40953 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0062% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	75,057.60
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0084% p.a. is due to the depository based on the average net asset value, and 0.0351% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Banks UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 3,629,911.45 is broken down as follows:

a) Compensation payments:	EUR	2,654,957.67
b) Income from withholding tax refunds/claims:	EUR	907,740.54
c) Other income:	EUR	67,213.24

Other expenses amounting to EUR 159,293.30 are broken down as follows:

a) Bank custody fees:	EUR	130,784.76
b) Other expenditure:	EUR	28,508.54

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 124,085.95.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.46 percentage points
Annual tracking difference level	0.06 percentage points

The STOXX® Europe 600 Banks Index (Net Total Return Index) posted a performance of 12.95% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Banks UCITS ETF (DE) recorded a performance of 13.01% during the same period.

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Assets used	
Absolute	EUR 632,840.00
In % of fund assets	0.06
Ten largest counterparties (descending)	
Name	UniCredit Bank AG
Gross volume of open transactions	EUR 632,840.00
Country of residence	Germany
Type(s) of settlement and clearing (e.g. bilateral, trilateral, CCP)	
Wertpapierleihekonzern UniCredit Bank AG, London branch and Credit Suisse Securities (Europe) Ltd are subject to the bilateral model with BlackRock. The securities lending transactions and the associated collateralisation with the counterparties Goldman Sachs International and Morgan Stanley Co International PLC are carried out by an agent (tri-party model).	
Transactions broken down by remaining maturity (absolute amounts)	
Unlimited	EUR 632,840.00
Type(s) and quality(ies) of collateral received	
Equities	EUR 744,959.43
Quality(ies) of collateral received	
Quality	<p>The investment stock corporation currently accepts the following assets in particular as collateral for securities lending transactions:</p> <ul style="list-style-type: none"> • Government bonds with a maximum maturity of 10 years from the following countries: Austria, Belgium, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland and the UK • Equities on the following indices: AEX Index (Netherlands), ATX index (Austria), BEL 20 Index (Belgium), CAC All Share Index (France), CDAX Index (Germany), FTSE All Share Index (UK), FTSE MIB Index (Italy), HEX 25 Index (Finland), Madrid General Index (Spain), OMX Copenhagen 20 Index (Denmark), OMX Stockholm 30 Index (Sweden), OBX Stock Index (Norway), PSI 20 Index (Portugal), SPI.
Currency(ies) of collateral received	
EUR, GBP	
Collateral broken down by remaining maturity (absolute amounts)	
Unlimited	EUR 744,959.43
Income and cost shares	
Fund	
Absolute income share	EUR 179,252.86
Income share as % of gross income	58.13
Absolute cost share	EUR 75,057.60

**Annual report for iShares STOXX Europe 600 Banks UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Loaned securities as % of all loanable fund assets	
	0.07
Ten largest collateral issuers based on all security financing transactions and total return swaps	
Name	Airbus SE
Volume of collateral received (absolute)	EUR 73,341.53
Name	Safran
Volume of collateral received (absolute)	EUR 67,606.40
Name	Legrand S.A.
Volume of collateral received (absolute)	EUR 65,334.16
Name	Schneider Electric SE
Volume of collateral received (absolute)	EUR 64,421.02
Name	Danone S.A.
Volume of collateral received (absolute)	EUR 64,269.00
Name	Intercontinental Hotels Group PLC
Volume of collateral received (absolute)	EUR 62,347.03
Name	Bouygues S.A.
Volume of collateral received (absolute)	EUR 61,683.42
Name	Deutsche Telekom AG
Volume of collateral received (absolute)	EUR 61,310.28
Name	Renault S.A.
Volume of collateral received (absolute)	EUR 57,635.50
Name	Fresnillo PLC
Volume of collateral received (absolute)	EUR 54,361.75

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ¹²⁾
Securities								466,524,266.50	99.98
Exchange-traded securities								466,524,266.50	99.98
Shares								466,524,266.50	99.98
Anglo American PLC Registered Shares DL -.54945	GB00B1XZS820		Units	1,733,078	813,862	1,059,692	GBP 17.806	34,861,916.37	7.47
Antofagasta PLC Registered Shares LS -.05	GB0000456144		Units	709,977	302,436	222,456	GBP 8.700	6,977,989.49	1.50
ArcelorMittal S.A. Actions Nouvelles Nominat. o.N	LU1598757687		Units	1,171,437	1,458,114	286,677	EUR 28.250	33,093,095.25	7.09
Aurubis AG Inhaber-Aktien o.N.	DE0006766504		Units	69,336	83,647	14,311	EUR 69.180	4,796,664.48	1.03
BHP Billiton PLC Registered Shares DL -.50	GB0000566504		Units	3,866,381	1,792,741	1,171,028	GBP 14.842	64,828,183.61	13.89
BillerudKorsnäs AB Namn-Aktier SK 12.50	SE0000862997		Units	323,880	137,970	101,487	SEK 123.450	3,956,590.44	0.85
Boliden AB Namn-Aktier SK 2	SE0000869646		Units	471,252	200,662	149,968	SEK 294.900	13,752,252.94	2.95
Centamin PLC Registered Shares o.N.	JE00B5TT1872		Units	2,109,061	901,580	663,983	GBP 1.490	3,550,113.09	0.76
Fresnillo PLC Registered Shares DL -.50	GB00B2QPKJ12		Units	337,376	143,601	105,599	GBP 12.195	4,647,964.13	1.00
Glencore PLC Registered Shares DL -.01	JE00B4T3BW64		Units	22,186,401	13,442,863	5,970,830	GBP 3.864	96,835,489.69	20.75
IMERYS S.A. Actions Port. EO 2	FR0000120859		Units	59,632	25,217	18,694	EUR 83.800	4,997,161.60	1.07
Mondi PLC Registered Shares EO -.20	GB00B1CRLC47		Units	632,073	268,792	198,229	GBP 19.020	13,581,399.68	2.91
Norsk Hydro ASA Navne-Aksjer NK 1.098	NO0005052605		Units	2,489,922	1,060,618	780,105	NOK 53.640	13,884,228.71	2.98
Outokumpu Oyj Registered Shares Cl.A o.N.	FI0009002422		Units	588,205	265,681	176,692	EUR 6.660	3,917,445.30	0.84
Polymetal Intl PLC Registered Shares o.N.	JE00B6T5S470		Units	618,403	333,339	244,334	GBP 7.478	5,224,248.50	1.12
Randgold Resources Ltd. Registered Shares DL -.05	GB00B01C3S32		Units	172,324	73,806	53,734	GBP 58.480	11,384,655.92	2.44
Rio Tinto PLC Registered Shares LS -.10	GB0007188757		Units	1,620,794	967,830	1,297,210	GBP 39.260	71,886,095.23	15.41
Stora Enso Oyj Reg. Shares Cl.R EO 1.70	FI0009005961		Units	1,055,152	445,174	316,914	EUR 14.575	15,378,840.40	3.30
Svenska Cellulosa AB Namn-Aktier B (fria) SK 10	SE0000112724		Units	1,167,470	1,429,093	261,623	SEK 82.500	9,531,155.41	2.04
Tenaris S.A. Actions Nom. DL 1	LU0156801721		Units	854,716	364,063	267,775	EUR 14.200	12,136,967.20	2.60
UPM Kymmene Corp. Registered Shares o.N.	FI0009005987		Units	977,062	458,693	302,583	EUR 28.230	27,582,460.26	5.91
voestalpine AG Inhaber-Aktien o.N.	AT0000937503		Units	204,188	88,349	63,909	EUR 47.600	9,719,348.80	2.08
Derivatives								1,665.00	0.00
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								1,665.00	0.00
Receivables/liabilities									
Equity index futures contracts								1,665.00	0.00
STOXX 600 BAS MAR18		EURX	Number	1			EUR	1,665.00	0.00
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								176,551.78	0.04
Bank accounts								176,551.78	0.04
EUR balances								172,582.48	0.04
Depository: State Street Bank International GmbH			EUR	172,582.48			% 100.000	172,582.48	0.04
Balances in other EU/EEA currencies								3,955.72	0.00
Depository: State Street Bank International GmbH			GBP	3,268.41			% 100.000	3,692.35	0.00
			NOK	268.01			% 100.000	27.86	0.00
			SEK	2,379.93			% 100.000	235.51	0.00
Non-EU/EEA currencies								13.58	0.00
Depository: State Street Bank International GmbH			USD	16.56			% 100.000	13.58	0.00
Other assets								75,484.06	0.02
Withholding tax reimbursement claims			EUR	72,484.06				72,484.06	0.02
Initial margin			EUR	3,000.00				3,000.00	0.00

**Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of the sub- fund assets ¹²⁾
Other liabilities								-168,151.93	-0.04
Management fee			EUR	-161,470.00				-161,470.00	-0.03
Received variation margin			EUR	-2,160.00				-2,160.00	-0.00
Other liabilities			EUR	-4,521.93				-4,521.93	-0.00
sub-funds							EUR	466,609,815.41	100.00
Share value							EUR	47.37	
Shares in circulation							Units	9,850,000	

12) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
ArcelorMittal S.A. Actions Nouvelles Nominat. oN	LU0323134006	Units	20,776	3,139,167	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying					27,106
STXE 600 Basic Resources Index (Price) (EUR)				security(ies):	

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 65,572

Underlyings:

Anglo American PLC Registered Shares DL -.54945 (GB00B1XZS820), Antofagasta PLC Registered Shares LS -.05 (GB0000456144), Outokumpu Oyj Registered Shares Cl.A o.N. (FI0009002422), voestalpine AG Inhaber-Aktien o.N. (AT0000937503)

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from foreign issuers (before withholding tax)	EUR	11,129,002.97
2. Interest from domestic liquidity investments	EUR	143.71
3. Income from securities lending and securities repurchase agreements	EUR	5,602.02
4. Deduction of foreign withholding tax	EUR	-268,946.05
5. Other income	EUR	64,189.79
Total income	EUR	10,929,992.44
II. Expenses		
1. Interest from borrowings	EUR	-389.15
2. Management fee	EUR	-1,929,676.10
3. Other expenses	EUR	-66,280.24
Total expenses	EUR	-1,996,345.49
III. Ordinary net income	EUR	8,933,646.95
IV. Disposals		
1. Realised gains	EUR	25,415,010.33
2. Realised losses	EUR	-1,275,403.30
Gain/loss on disposals	EUR	24,139,607.03
V. Annual realised results	EUR	33,073,253.98
1. Net change in unrealised gains	EUR	30,996,527.57
2. Net change in unrealised losses	EUR	-3,348,688.08
VI. Annual unrealised results	EUR	27,647,839.49
VII. Result for the financial year	EUR	60,721,093.47

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	368,031,290.89
1. Distribution for the previous year	EUR	-2,415,671.10
2. Interim distributions	EUR	-7,376,475.70
3. Inflow/outflow of funds (net)	EUR	47,042,385.00
a) Inflow of funds from sale of equities	EUR	168,262,535.00
b) Outflow of funds from redemption of equities	EUR	-121,220,150.00
4. Income adjustment/cost compensation	EUR	607,192.85
5. Result for the financial year	EUR	60,721,093.47
of which unrealised gains	EUR	30,996,527.57
of which unrealised losses	EUR	-3,348,688.08
II. Value of sub-fund assets at end of financial year	EUR	466,609,815.41

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	89,051,700.14	9.04
1. Carryforward from the previous year ¹³⁾	EUR	54,703,042.86	5.55
2. Realised net income for the financial year	EUR	33,073,253.98	3.36
3. Transfer from sub-fund assets ¹⁴⁾	EUR	1,275,403.30	0.13
II. Not used for distribution	EUR	-81,675,224.44	-8.29
1. Reinvested	EUR	-11,683,752.13	-1.19
2. Carryforward to new account	EUR	-69,991,472.31	-7.10
III. Total pay-out	EUR	7,376,475.70	0.75
1. Interim distribution	EUR	7,376,475.70	0.75
2. Final year-end distribution	EUR	0.00	0.00

¹³⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

¹⁴⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	466,609,815.41	47.37
2016/2017	EUR	368,031,290.89	43.04
2015/2016	EUR	161,819,921.97	25.48
2014/2015	EUR	150,894,670.02	43.11

**Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	23,539.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	47.37
Shares in circulation	Units	9,850,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0005% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	2,100.76
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0094% p.a. is due to the depository based on the average net asset value, and 0.0447% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 64,189.79 is broken down as follows:

a) Compensation payments:	EUR	33,350.99
b) Income from withholding tax refunds/claims:	EUR	30,838.80

Other expenses amounting to EUR 66,280.24 are broken down as follows:

a) Bank custody fees:	EUR	53,370.45
b) Other expenditure:	EUR	12,909.79

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 54,568.05.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.48 percentage points
Annual tracking difference level	-0.35 percentage points

The STOXX® Europe 600 Basic Resources Index (Net Total Return Index) posted a performance of 12.99% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) recorded a performance of 12.64% during the same period.

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading “Link between pay and performance”) may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the “Partner Plan” and the “Targeted Equity Award Plan” will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual’s role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the “BlackRock Performance Incentive Plan” (“BPIP”). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock’s achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock’s financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have “skin in the game” through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock’s interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock’s remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals’ services attributable to the Manager’s UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.’s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)
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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 5,602.02
Income share as % of gross income	62.50
Absolute cost share	EUR 2,100.76

Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ¹⁵⁾
Securities								85,087,600.10	99.47
Exchange-traded securities								85,087,600.10	99.47
Shares								85,087,600.10	99.47
Air Liquide-SA Ét.Expl.P.G.Cl. Actions Port. EO 5.50	FR0000120073		Units	115,176	81,585	85,790	EUR 103.150	11,880,404.40	13.89
Akzo Nobel N.V. Aandelen aan toonder EO 2	NL0000009132		Units	67,752	43,602	53,097	EUR 79.760	5,403,899.52	6.32
Arkema S.A. Actions au Porteur EO 10	FR0010313833		Units	19,082	12,267	14,882	EUR 107.450	2,050,360.90	2.40
BASF SE Namens-Aktien o.N.	DE000BASF111		Units	247,039	198,766	233,730	EUR 86.410	21,346,639.99	24.96
Brenntag AG Namens-Aktien o.N.	DE000A1DAHH0		Units	39,037	25,090	30,617	EUR 51.480	2,009,624.76	2.35
Clariant AG Namens-Aktien SF 3.70	CH0012142631		Units	58,960	35,731	64,579	CHF 23.700	1,212,315.42	1.42
Covestro AG Inhaber-Aktien o.N.	DE0006062144		Units	37,319	36,093	21,046	EUR 93.340	3,483,355.46	4.07
Croda International PLC Regist.Shares LS -.10357143	GB00BYZWX769		Units	36,344	23,301	28,466	GBP 46.220	1,897,708.24	2.22
Ems-Chemie Holding AG Namens-Aktien SF -.01	CH0016440353		Units	2,270	1,758	1,662	CHF 606.000	1,193,461.16	1.40
Evonik Industries AG Namens-Aktien o.N.	DE000EVNK013		Units	40,222	25,827	31,542	EUR 30.430	1,223,955.46	1.43
FUCHS PETROLUB SE Inhaber-Vorzugsakt. o.St.o.N.	DE0005790430		Units	18,693	11,967	14,626	EUR 46.660	872,215.38	1.02
Givaudan SA Namens-Aktien SF 10	CH0010645932		Units	2,139	1,367	1,668	CHF 2,157.000	4,002,863.12	4.68
Hexpol AB Namn-Aktier B o.N.	SE0007074281		Units	68,565	43,853	53,595	SEK 76.100	516,336.72	0.60
IMCD N.V. Aandelen op naam EO -.16	NL0010801007		Units	14,145	9,043	11,053	EUR 52.700	745,441.50	0.87
Johnson, Matthey PLC Registered Shares LS 1.101698	GB00BZ4BQC70		Units	53,508	34,390	41,991	GBP 31.350	1,895,060.34	2.22
K+S Aktiengesellschaft Namens-Aktien o.N.	DE000KSAG888		Units	51,480	33,056	40,369	EUR 22.950	1,181,466.00	1.38
Koninklijke DSM N.V. Aandelen op naam EO 1.50	NL0000009827		Units	48,797	31,358	38,264	EUR 85.140	4,154,576.58	4.86
LANXESS AG Inhaber-Aktien o.N.	DE0005470405		Units	24,616	15,812	19,309	EUR 68.600	1,688,657.60	1.97
Linde AG z.Umtausch eing.Inhaber-Aktien	DE000A2E4L75		Units	45,959	51,381	5,422	EUR 184.350	8,472,541.65	9.91
Solvay S.A. Actions au Porteur A o.N.	BE0003470755		Units	19,733	12,677	15,464	EUR 113.100	2,231,802.30	2.61
Symrise AG Inhaber-Aktien o.N.	DE000SYM9999		Units	32,818	21,091	25,751	EUR 66.880	2,194,867.84	2.57
Umicore S.A. Actions Nom. o.N.	BE0974320526		Units	51,208	69,059	17,851	EUR 46.520	2,382,196.16	2.78
Victrex PLC Registered Shares LS -.01	GB0009292243		Units	23,096	14,797	17,972	GBP 25.920	676,298.69	0.79
Wacker Chemie AG Inhaber-Aktien o.N.	DE000WCH8881		Units	4,696	5,208	512	EUR 140.050	657,674.80	0.77
Yara International ASA Navne-Aksjer NK 1.70	NO0010208051		Units	46,877	33,136	35,157	NOK 351.700	1,713,876.11	2.00
Derivatives								-12,780.00	-0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-12,780.00	-0.01
Receivables/liabilities									
Equity index futures contracts								-12,780.00	-0.01
STOXX 600 CHEM MAR 18		EURX	Number	10			EUR	-12,780.00	-0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								276,870.62	0.32
Bank accounts								276,870.62	0.32
EUR balances								276,375.82	0.32
Depository: State Street Bank International GmbH			EUR	276,375.82			% 100.000	276,375.82	0.32
Balances in other EU/EEA currencies								114.15	0.00
Depository: State Street Bank International GmbH			NOK	1,024.29			% 100.000	106.48	0.00
			SEK	77.47			% 100.000	7.67	0.00
Non-EU/EEA currencies								380.65	0.00
Depository: State Street Bank International GmbH			CHF	438.75			% 100.000	380.65	0.00
Other assets								216,264.86	0.25
Withholding tax reimbursement claims			CHF	145,607.05				126,325.85	0.15
			EUR	44,029.01				44,029.01	0.05
Initial margin			EUR	35,230.00				35,230.00	0.04
Paid variation margin			EUR	10,680.00				10,680.00	0.01

**Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of the sub- fund assets ¹⁵⁾
Other liabilities								-30,160.55	-0.04
Management fee			EUR	-29,375.33				-29,375.33	-0.03
Other liabilities			EUR	-785.22				-785.22	-0.00
sub-funds							EUR	85,537,795.03	100.00
Share value							EUR	92.47	
Shares in circulation							Units	925,000	

15) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Bayer AG Namens-Aktien o.N.	DE000BAY0017	Units	148,810	328,680	
Linde AG Inhaber-Aktien o.N.	DE0006483001	Units	20,038	77,065	
Syngenta AG Nam.-Aktien SF 0.10	CH0011037469	Units	317	28,743	
Unlisted securities					
Shares					
Umicore S.A. Actions Nom. New o.N.	BE0003884047	Units	9,037	38,281	
Derivatives					
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)					
Futures contracts					
Equity index futures contracts					
Purchased contracts:					3,372
Underlying STXE 600 Chemicals Index (Price) (EUR)				security(ies):	

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 1,993
Underlyings:	
Clariant AG Namens-Aktien SF 3.70 (CH0012142631), K+S Aktiengesellschaft Namens-Aktien o.N. (DE000KSAG888)	

Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	1,275,476.31
2. Dividends from foreign issuers (before withholding tax)	EUR	1,212,435.76
3. Interest from domestic liquidity investments	EUR	23.09
4. Income from securities lending and securities repurchase agreements	EUR	1,011.55
5. Deduction of foreign withholding tax	EUR	-172,559.53
6. Other income	EUR	41,603.87
Total income	EUR	2,357,991.05
II. Expenses		
1. Interest from borrowings	EUR	-31.07
2. Management fee	EUR	-385,521.67
3. Other expenses	EUR	-12,515.15
Total expenses	EUR	-398,067.89
III. Ordinary net income	EUR	1,959,923.16
IV. Disposals		
1. Realised gains	EUR	10,582,444.76
2. Realised losses	EUR	-229,430.75
Gain/loss on disposals	EUR	10,353,014.01
V. Annual realised results	EUR	12,312,937.17
1. Net change in unrealised gains	EUR	-3,920,584.82
2. Net change in unrealised losses	EUR	-897,467.53
VI. Annual unrealised results	EUR	-4,818,052.35
VII. Result for the financial year	EUR	7,494,884.82

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	116,596,870.67
1. Distribution for the previous year	EUR	-31,310.00
2. Interim distributions	EUR	-1,839,011.63
3. Inflow/outflow of funds (net)	EUR	-37,463,157.50
a) Inflow of funds from sale of equities	EUR	38,047,850.00
b) Outflow of funds from redemption of equities	EUR	-75,511,007.50
4. Income adjustment/cost compensation	EUR	779,518.67
5. Result for the financial year	EUR	7,494,884.82
of which unrealised gains	EUR	-3,920,584.82
of which unrealised losses	EUR	-897,467.53
II. Value of sub-fund assets at end of financial year	EUR	85,537,795.03

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	24,036,786.32	25.99
1. Carryforward from the previous year ¹⁶⁾	EUR	11,494,418.40	12.43
2. Realised net income for the financial year	EUR	12,312,937.17	13.31
3. Transfer from sub-fund assets ¹⁷⁾	EUR	229,430.75	0.25
II. Not used for distribution	EUR	-22,197,774.69	-24.00
1. Reinvested	EUR	-9,367,105.44	-10.13
2. Carryforward to new account	EUR	-12,830,669.25	-13.87
III. Total pay-out	EUR	1,839,011.63	1.99
1. Interim distribution	EUR	1,839,011.63	1.99
2. Final year-end distribution	EUR	0.00	0.00

¹⁶⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

¹⁷⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	85,537,795.03	92.47
2016/2017	EUR	116,596,870.67	86.37
2015/2016	EUR	48,252,282.92	74.23
2014/2015	EUR	69,089,483.12	92.12

**Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	468,620.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	92.47
Shares in circulation	Units	925,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0004% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	379.36
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0222% p.a. is due to the depository based on the average net asset value, and 0.0516% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Chemicals UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 41,603.87 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	41,603.87
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Other expenses amounting to EUR 12,515.15 are broken down as follows:

a) Bank custody fees:	EUR	10,195.99
b) Other expenditure:	EUR	2,319.16

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 31,336.63.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.58 percentage points
Annual tracking difference level	-0.02 percentage points

The STOXX® Europe 600 Chemicals Index (Net Total Return Index) posted a performance of 9.22% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 UCITS ETF (DE) recorded a performance of 9.20% during the same period.

Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Chemicals UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 1,011.55
Income share as % of gross income	62.50
Absolute cost share	EUR 379.36

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ¹⁸⁾
Securities								86,077,245.43	99.78
Exchange-traded securities								86,077,245.43	99.78
Shares								86,077,245.43	99.78
ACS, Act.de Constr.y Serv. SA Acciones Port. EO -.50	ES0167050915		Units	97,861	45,883	30,204	EUR 28.330	2,772,402.13	3.21
Assa-Abloy AB Namn-Aktier B SK -.33	SE0007100581		Units	352,350	92,530	145,629	SEK 185.850	6,480,115.01	7.51
Balfour Beatty PLC Registered Shares LS -.50	GB0000961622		Units	245,209	64,402	101,354	GBP 2.652	734,643.61	0.85
Bouygues S.A. Actions Port. EO 1	FR0000120503		Units	101,020	29,444	41,464	EUR 41.660	4,208,493.20	4.88
Compagnie de Saint-Gobain S.A. Actions au Porteur (C.R.) EO 4	FR0000125007		Units	197,467	58,660	73,753	EUR 46.745	9,230,594.92	10.70
CRH PLC Registered Shares EO -.32	IE0001827041		Units	298,173	80,262	122,366	EUR 27.270	8,131,177.71	9.43
Eiffage S.A. Actions Port. EO 4	FR0000130452		Units	34,840	10,011	13,023	EUR 89.100	3,104,244.00	3.60
Ferrovial S.A. Acciones Port. EO 0.20	ES0118900010		Units	175,437	45,082	90,886	EUR 17.765	3,116,638.31	3.61
Geberit AG Nam.-Akt. (Dispost.) SF 0.10	CH0030170408		Units	13,168	3,455	5,441	CHF 428.200	4,891,885.58	5.67
HeidelbergCement AG Inhaber-Aktien o.N.	DE0006047004		Units	52,538	13,794	21,711	EUR 82.740	4,346,994.12	5.04
HOCHTIEF AG Inhaber-Aktien o.N.	DE0006070006		Units	6,464	1,697	2,674	EUR 138.500	895,264.00	1.04
Kingspan Group PLC Registered Shares EO -.13	IE0004927939		Units	53,941	14,468	21,718	EUR 34.800	1,877,146.80	2.18
Kon. Boskalis Westminster N.V. Cert.v.Aandelen EO 0.01	NL0000852580		Units	29,850	7,725	12,461	EUR 31.000	925,350.00	1.07
LafargeHolcim Ltd. Namens-Aktien SF 2	CH0012214059		Units	169,804	44,031	70,793	CHF 55.380	8,158,506.76	9.46
Melrose Industries PLC Registered Shares LS 0.01	GB00BZ1G4322		Units	690,112	182,162	263,894	GBP 2.283	1,779,886.34	2.06
NIBE Industrier AB Namn-Aktier B o.N.	SE0008321293		Units	120,300	34,663	49,636	SEK 78.680	936,646.79	1.09
Sika AG Inhaber-Aktien SF 0.60	CH0000587979		Units	765	199	315	CHF 7,780.000	5,163,579.19	5.99
Skanska AB Namn-Aktier B (fria) SK 3	SE0000113250		Units	131,983	34,719	54,942	SEK 165.650	2,163,492.08	2.51
VINCI S.A. Actions Port. EO 2.50	FR0000125486		Units	199,645	52,407	80,942	EUR 81.320	16,235,131.40	18.82
Wienerberger AG Inhaber-Aktien o.N.	AT0000831706		Units	41,782	10,969	17,269	EUR 22.140	925,053.48	1.07
Derivatives								-5,490.00	-0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-5,490.00	-0.01
Receivables/liabilities									
Equity index futures contracts								-5,490.00	-0.01
STOXX 600 CONS MAR18		EURX	Number	9			EUR	-5,490.00	-0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								68,745.59	0.08
Bank accounts								68,745.59	0.08
EUR balances								68,745.59	0.08
Depository: State Street Bank International GmbH			EUR	68,745.59			% 100.000	68,745.59	0.08
Other assets								155,418.95	0.18
Withholding tax reimbursement claims			CHF	91,089.19				79,027.21	0.09
			EUR	54,156.74				54,156.74	0.06
Initial margin			EUR	18,680.00				18,680.00	0.02
Paid variation margin			EUR	3,555.00				3,555.00	0.00
Liabilities arising from loans								-1,061.93	-0.00
Loans in other EU/EEA currencies								-61.40	-0.00
			DKK	-2.76			% 100.000	-0.37	-0.00
			GBP	-49.76			% 100.000	-56.21	-0.00
			SEK	-48.72			% 100.000	-4.82	-0.00
Loans in non-EU/EEA currencies								-1,000.53	-0.00
			CHF	-1,153.24			% 100.000	-1,000.53	-0.00

**Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ¹⁸⁾
Other liabilities								-30,522.89	-0.04
Management fee			EUR	-29,710.08				-29,710.08	-0.03
Other liabilities			EUR	-812.81				-812.81	-0.00
sub-funds							EUR	86,264,335.15	100.00
Share value							EUR	44.47	
Shares in circulation							Units	1,940,000	

18) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
ACS, Act.de Constr.y Serv. SA Anrechte	ES06670509C3	Units	97,861	97,861	
ACS, Act.de Constr.y Serv. SA Anrechte	ES06670509B5	Units	98,544	98,544	
Ferrovial S.A. Anrechte	ES06189009A2	Units	172,634	172,634	
Ferrovial S.A. Anrechte	ES0618900999	Units	212,802	212,802	
NCC AB Namn-Aktier B (fria) SK 8	SE0000117970	Units	8,784	43,104	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:		4,269
Underlying	security(ies):	
STXE 600 Constr. & Materials Index (Price) (EUR)		

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 4,582
Underlyings:	
Bouygues S.A. Actions Port. EO 1 (FR0000120503), Kon. Boskalis Westminster N.V. Cert.v.Aandelen EO -.01 (NL0000852580)	

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	105,754.74
2. Dividends from foreign issuers (before withholding tax)	EUR	2,225,267.83
3. Income from securities lending and securities repurchase agreements	EUR	753.67
4. Deduction of foreign withholding tax	EUR	-78,763.67
5. Other income	EUR	33,189.88
Total income	EUR	2,286,202.45
II. Expenses		
1. Interest from borrowings	EUR	-97.12
2. Management fee	EUR	-400,796.80
3. Other expenses	EUR	-13,621.71
Total expenses	EUR	-414,515.63
III. Ordinary net income	EUR	1,871,686.82
IV. Disposals		
1. Realised gains	EUR	3,146,692.10
2. Realised losses	EUR	-478,126.89
Gain/loss on disposals	EUR	2,668,565.21
V. Annual realised results	EUR	4,540,252.03
1. Net change in unrealised gains	EUR	75,090.21
2. Net change in unrealised losses	EUR	-2,029,623.28
VI. Annual unrealised results	EUR	-1,954,533.07
VII. Result for the financial year	EUR	2,585,718.96

Change in sub-fund assets

			2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR	96,760,971.07
1. Distribution for the previous year		EUR	-528,431.90
2. Interim distributions		EUR	-1,791,368.02
3. Inflow/outflow of funds (net)		EUR	-11,249,444.00
a) Inflow of funds from sale of equities	EUR	21,592,498.00	
b) Outflow of funds from redemption of equities	EUR	-32,841,942.00	
4. Income adjustment/cost compensation		EUR	486,889.04
5. Result for the financial year		EUR	2,585,718.96
of which unrealised gains	EUR	75,090.21	
of which unrealised losses	EUR	-2,029,623.28	
II. Value of sub-fund assets at end of financial year		EUR	86,264,335.15

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	17,847,416.47	9.20
1. Carryforward from the previous year ¹⁹⁾	EUR	12,829,037.55	6.61
2. Realised net income for the financial year	EUR	4,540,252.03	2.34
3. Transfer from sub-fund assets ²⁰⁾	EUR	478,126.89	0.25
II. Not used for distribution	EUR	-16,056,048.45	-8.28
1. Reinvested	EUR	-3,116,398.18	-1.61
2. Carryforward to new account	EUR	-12,939,650.27	-6.67
III. Total pay-out	EUR	1,791,368.02	0.92
1. Interim distribution	EUR	1,791,368.02	0.92
2. Final year-end distribution	EUR	0.00	0.00

19) Difference from the previous year because of income adjustment calculated on carryforwards.

20) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	86,264,335.15	44.47
2016/2017	EUR	96,760,971.07	43.98
2015/2016	EUR	20,828,790.17	37.19
2014/2015	EUR	31,719,721.81	39.65

**Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	201,910.50
Counterparty to derivatives transactions:		
CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	44.47
Shares in circulation	Units	1,940,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0003% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	282.63
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0209% p.a. is due to the depository based on the average net asset value, and 0.0507% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 33,189.88 is broken down as follows:

a) Compensation payments:	EUR	2,272.75
b) Income from withholding tax refunds/claims:	EUR	30,917.13

Other expenses amounting to EUR 13,621.71 are broken down as follows:

a) Bank custody fees:	EUR	10,886.36
b) Other expenditure:	EUR	2,735.35

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 9,607.99.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.71 percentage points
Annual tracking difference level	0.06 percentage points

The STOXX® Europe 600 Construction & Materials Index (Net Total Return Index) posted a performance of 3.52% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) recorded a performance of 3.58% during the same period.

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading “Link between pay and performance”) may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the “Partner Plan” and the “Targeted Equity Award Plan” will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual’s role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the “BlackRock Performance Incentive Plan” (“BPIP”). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock’s achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock’s financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have “skin in the game” through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock’s interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock’s remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals’ services attributable to the Manager’s UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.’s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 753.67
Income share as % of gross income	62.50
Absolute cost share	EUR 282.63

Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²¹⁾
Securities								62,872,874.85	99.11
Exchange-traded securities								62,872,874.85	99.11
Shares								62,872,874.85	99.11
3i Group PLC Registered Shares LS -.738636	GB00B1YW4409		Units	361,354	406,051	169,904	GBP 9.396	3,835,682.51	6.05
Aareal Bank AG Inhaber-Aktien o.N.	DE0005408116		Units	22,283	24,978	10,400	EUR 40.020	891,765.66	1.41
Ackermans & van Haaren N.V. Actions Nom. o.N.	BE0003764785		Units	8,359	9,406	3,936	EUR 148.300	1,239,639.70	1.95
Amundi S.A. Actions au Porteur EO 2.5	FR0004125920		Units	18,306	26,483	8,177	EUR 67.160	1,229,430.96	1.94
Azimut Holding S.p.A. Azioni nom. EUR o.N.	IT0003261697		Units	41,286	46,649	19,971	EUR 17.930	740,257.98	1.17
Bolsas y Mercados Espanoles Acciones Nominativas EO 3	ES0115056139		Units	9,090	-	438	EUR 27.740	252,156.60	0.40
Deutsche Börse AG Namens-Aktien o.N.	DE0005810055		Units	71,381	104,719	33,338	EUR 109.450	7,812,650.45	12.32
Euronext N.V. Aandelen an toonder WI EO 1.60	NL0006294274		Units	19,845	21,943	8,102	EUR 57.300	1,137,118.50	1.79
EXOR N.V. Aandelen aan toonder o.N.	NL0012059018		Units	42,176	47,285	20,039	EUR 59.900	2,526,342.40	3.98
Grpe Bruxelles Lambert SA(GBL) Actions au Porteur o.N.	BE0003797140		Units	30,040	33,677	14,022	EUR 94.040	2,824,961.60	4.45
Hargreaves Lansdown PLC Registered Shares DL-.004	GB00B1VZ0M25		Units	98,069	109,191	42,808	GBP 17.255	1,911,672.49	3.01
IG Group Holdings PLC Registered Shares LS 0.00005	GB00B06QFB75		Units	136,951	153,558	63,844	GBP 8.085	1,250,869.53	1.97
Industrivärden AB Namn-Aktier A (fria) o.N.	SE0000190126		Units	65,391	73,748	30,985	SEK 208.800	1,351,121.32	2.13
Intermediate Capital Grp PLC Registered Shares LS -.2625	GB00BYT1DJ19		Units	109,404	122,702	51,104	GBP 10.580	1,307,632.32	2.06
Intrum Justitia AB Namn-Aktier SK -.02	SE0000936478		Units	27,479	50,278	32,111	SEK 258.400	702,650.41	1.11
Investec PLC Registered Shares LS -.0002	GB00B17BBQ50		Units	233,954	261,363	105,218	GBP 6.350	1,678,305.35	2.65
Investor AB Namn-Aktier B (fria) SK 6.25	SE0000107419		Units	168,606	190,586	80,608	SEK 375.100	6,258,438.12	9.87
Jupiter Fund Management PLC Registered Shares LS -.02	GB00B53P2009		Units	173,902	195,164	81,218	GBP 5.122	1,006,261.66	1.59
Kinnevik AB Namn-Aktier B SK 0.10	SE0008373906		Units	87,217	97,795	40,737	SEK 304.100	2,624,601.89	4.14
London Stock Exchange Group PLC Reg. Shares LS 0.069186047	GB00B0S0WJX34		Units	116,493	131,567	55,533	GBP 40.280	5,300,978.83	8.36
Man Group PLC Reg. Shares DL -.03428571	GB00B83VD954		Units	613,264	690,325	295,969	GBP 1.718	1,189,901.45	1.88
Nex Group PLC Registered Shares LS 0.175	GB00BZ02MH16		Units	116,466	130,647	54,828	GBP 6.725	884,826.72	1.39
Pargesa Holding S.A. Inhaber-Aktien SF 20	CH0021783391		Units	14,115	15,824	6,589	CHF 83.800	1,026,206.38	1.62
Partners Group Holding AG Namens-Aktien SF -.01	CH0024608827		Units	8,141	9,157	3,845	CHF 687.000	4,852,262.66	7.65
Schroders PLC Registered Shares LS 1	GB0002405495		Units	42,098	47,462	20,115	GBP 34.490	1,640,293.02	2.59
Standard Life Aberdeen PLC Registered Shares LS -.1222222	GB00BVF7DQ58		Units	1,103,997	1,522,113	418,116	GBP 3.681	4,590,928.08	7.24
TP ICAP PLC Registered Shares LS 0.25	GB00B1H0DZ51		Units	206,266	301,221	94,955	GBP 5.376	1,252,719.06	1.97
Wendel S.A. Actions Port. EO 4	FR0000121204		Units	10,892	12,246	5,208	EUR 142.600	1,553,199.20	2.45
Derivatives								8,230.00	0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								8,230.00	0.01
Receivables/liabilities									
Equity index futures contracts								8,230.00	0.01
STOXX 600 F S MAR 18		EURX	Number	22			EUR	8,230.00	0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								444,796.83	0.70
Bank accounts								444,796.83	0.70
EUR balances								443,574.54	0.70
Depository: State Street Bank International GmbH			EUR	443,574.54			% 100.000	443,574.54	0.70
Balances in other EU/EEA currencies								1,173.79	0.00
Depository: State Street Bank International GmbH			GBP	634.88			% 100.000	717.23	0.00
			SEK	4,613.72			% 100.000	456.56	0.00
Non-EU/EEA currencies								48.50	0.00
Depository: State Street Bank International GmbH			CHF	55.90			% 100.000	48.50	0.00

**Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²¹⁾
Other assets								135,754.98	0.21
Dividend claims			GBP	15,815.62				17,867.06	0.03
Withholding tax reimbursement claims			CHF	37,883.00				32,866.55	0.05
			EUR	22,961.37				22,961.37	0.04
Initial margin			EUR	62,060.00				62,060.00	0.10
Other liabilities								-26,443.46	-0.04
Management fee			EUR	-18,378.49				-18,378.49	-0.03
Received variation margin			EUR	-7,460.00				-7,460.00	-0.01
Other liabilities			EUR	-604.97				-604.97	-0.00
sub-funds							EUR	63,435,213.20	100.00
Share value							EUR	48.06	
Shares in circulation							Units	1,320,000	

21) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Aberdeen Asset Management PLC Registered Shares LS -.10	GB0000031285	Units	212,793	336,713	
Close Brothers Group PLC Registered Shares LS -.25	GB0007668071	Units	33,955	53,345	
Janus Henderson Gr. Registered Shares DL-.15	JE00B3CM9527	Units	147,235	292,922	
Provident Financial PLC Registered Shs LS -.17868339	GB00B1Z4ST84	Units	32,985	51,990	
Unlisted securities					
Shares					
Deutsche Börse AG z.Umtausch eing.Namens-Aktien	DE000A2AA253	Units	-	21,399	
Derivatives					
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)					
Futures contracts					
Equity index futures contracts					
Purchased contracts:					
Underlying				security(ies):	2,812
STXE 600 Financial Services Index (Price) (EUR)					

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for the reporting period from 01/03/2017 to 28/02/2018**

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 1,766

Underlyings:

Azimut Holding S.p.A. Azioni nom. EUR o.N. (IT0003261697), Intrum Justitia AB Namn-Aktier SK -.02 (SE0000936478), Investec PLC Registered Shares LS -.0002 (GB00B17BBQ50), Nex Group PLC Registered Shares LS -.175 (GB00BZ02MH16), Provident Financial PLC Registered Shs LS -.17868339 (GB00B1Z4ST84)

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	155,253.92
2. Dividends from foreign issuers (before withholding tax)	EUR	1,188,977.89
3. Interest from domestic liquidity investments	EUR	1.14
4. Income from securities lending and securities repurchase agreements	EUR	3,375.38
5. Deduction of foreign withholding tax	EUR	-80,079.63
6. Other income	EUR	175,089.43
Total income	EUR	1,442,618.13
II. Expenses		
1. Interest from borrowings	EUR	-205.14
2. Management fee	EUR	-277,893.82
3. Other expenses	EUR	-12,614.70
Total expenses	EUR	-290,713.66
III. Ordinary net income	EUR	1,151,904.47
IV. Disposals		
1. Realised gains	EUR	5,958,795.56
2. Realised losses	EUR	-2,914,600.12
Gain/loss on disposals	EUR	3,044,195.44
V. Annual realised results	EUR	4,196,099.91
1. Net change in unrealised gains	EUR	830,649.71
2. Net change in unrealised losses	EUR	-355,498.84
VI. Annual unrealised results	EUR	475,150.87
VII. Result for the financial year	EUR	4,671,250.78

Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Change in sub-fund assets

		2017/2018	
I. Value of sub-fund assets at beginning of the financial year		EUR	17,905,074.60
1. Distribution for the previous year		EUR	-212,092.02
2. Interim distributions		EUR	-992,403.36
3. Inflow/outflow of funds (net)		EUR	43,865,436.00
a) Inflow of funds from sale of equities	EUR	66,602,536.00	
b) Outflow of funds from redemption of equities	EUR	-22,737,100.00	
4. Income adjustment/cost compensation		EUR	-1,802,052.80
5. Result for the financial year		EUR	4,671,250.78
of which unrealised gains	EUR	830,649.71	
of which unrealised losses	EUR	-355,498.84	
II. Value of sub-fund assets at end of financial year		EUR	63,435,213.20

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution		EUR	15,505,547.88
1. Carryforward from the previous year ²²⁾	EUR	8,394,847.85	6.36
2. Realised net income for the financial year	EUR	4,196,099.91	3.18
3. Transfer from sub-fund assets ²³⁾	EUR	2,914,600.12	2.21
II. Not used for distribution		EUR	-14,513,144.52
1. Reinvested	EUR	-4,997,862.54	-3.79
2. Carryforward to new account	EUR	-9,515,281.98	-7.21
III. Total pay-out		EUR	992,403.36
1. Interim distribution		EUR	992,403.36
2. Final year-end distribution		EUR	0.00

²²⁾ Difference from the previous year because of income adjustment calculated on carryforwards.
²³⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

**Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	63,435,213.20	48.06
2016/2017	EUR	17,905,074.60	42.63
2015/2016	EUR	20,949,099.63	38.79
2014/2015	EUR	38,306,922.49	44.54

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	543,543.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	48.06
Shares in circulation	Units	1,320,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0021% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	1,265.79
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0314% p.a. is due to the depository based on the average net asset value, and 0.0245% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Financial Services UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 175,089.43 is broken down as follows:

a) Compensation payments:	EUR	33,955.06
b) Income from withholding tax refunds/claims:	EUR	98,696.87
c) Other income:	EUR	42,437.50

Other expenses amounting to EUR 12,614.70 are broken down as follows:

a) Bank custody fees:	EUR	8,038.33
b) Other expenditure:	EUR	4,576.37

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 28,096.55.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.56 percentage points
Annual tracking difference level	0.14 percentage points
The STOXX® Europe 600 Financial Services Index (Net Total Return Index) posted a performance of 16.64% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Financial Services UCITS ETF (DE) recorded a performance of 16.78% during the same period.	

Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Financial Services UCITS ETF (DE)
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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 3,375.38
Income share as % of gross income	62.50
Absolute cost share	EUR 1,265.79

**Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²⁴⁾
Securities								191,571,848.14	99.05
Exchange-traded securities								191,571,848.14	99.05
Shares								191,571,848.14	99.05
Anheuser-Busch InBev S.A./N.V. Actions au Port. o.N.	BE0974293251		Units	325,713	104,401	34,443	EUR 87.480	28,493,373.24	14.73
Aryzta AG Namens-Aktien SF -.02	CH0043238366		Units	41,641	8,802	7,985	CHF 23.560	851,150.28	0.44
Associated British Foods PLC Registered Shares LS -.0568	GB0006731235		Units	161,329	32,475	31,275	GBP 26.310	4,795,126.49	2.48
Barry Callebaut AG Namensaktien SF 7.29	CH0009002962		Units	1,021	206	198	CHF 1,867.000	1,653,788.13	0.86
Britvic PLC Registered Shares LS -.20	GB00B0N8QD54		Units	118,180	23,838	22,693	GBP 6.780	905,191.48	0.47
Carlsberg AS Navne-Aktier B DK 20	DK0010181759		Units	47,313	9,547	9,365	DKK 750.200	4,767,060.90	2.46
Chocoladef. Lindt & Sprüngli vink.Namens-Aktien SF 100	CH0010570759		Units	49	11	10	CHF 68,200.000	2,899,280.70	1.50
Coca-Cola HBC AG Nam.-Aktien SF 6.70	CH0198251305		Units	87,851	17,956	16,269	GBP 23.850	2,367,019.69	1.22
Danone S.A. Actions Port. EO -.25	FR0000120644		Units	285,133	59,643	46,318	EUR 65.750	18,747,494.75	9.69
Davide Campari-Milano S.p.A. Azioni nom. EO -.05	IT0005252207		Units	202,364	237,608	35,244	EUR 5.900	1,193,947.60	0.62
Diageo PLC Reg. Shares LS -.28935185	GB0002374006		Units	1,029,337	249,105	252,646	GBP 24.600	28,606,153.81	14.79
Glanbia PLC Registered Shares EO 0.06	IE0000669501		Units	90,818	20,577	13,463	EUR 14.580	1,324,126.44	0.68
Heineken Holding N.V. Aandelen aan toonder EO 1.60	NL0000008977		Units	44,877	15,287	13,121	EUR 81.750	3,668,694.75	1.90
Heineken N.V. Aandelen aan toonder EO 1.60	NL0000009165		Units	96,553	19,433	18,820	EUR 85.540	8,259,143.62	4.27
Kerry Group PLC Registered Shares A EO -.125	IE0004906560		Units	68,144	13,690	13,114	EUR 81.950	5,584,400.80	2.89
Marine Harvest ASA Navne-Aksjer NK 7.50	NO0003054108		Units	187,296	50,550	30,422	NOK 153.650	2,991,632.99	1.55
Nestlé S.A. Namens-Aktien SF 0.10	CH0038863350		Units	845,202	184,594	118,300	CHF 75.280	55,201,380.16	28.54
Orkla ASA Navne-Aksjer NK 1.25	NO0003733800		Units	369,493	74,357	71,980	NOK 86.620	3,327,144.34	1.72
Pernod-Ricard S.A. Actions Port. (C.R.) o.N.	FR0000120693		Units	93,109	18,773	18,355	EUR 135.000	12,569,715.00	6.50
Rémy Cointreau S.A. Actions au Porteur EO 1.60	FR0000130395		Units	10,018	10,423	405	EUR 111.900	1,121,014.20	0.58
Tate & Lyle PLC Registered Shares LS -.25	GB0008754136		Units	209,762	41,904	40,613	GBP 5.604	1,327,980.57	0.69
Viscofan S.A. Acciones Port. EO 0.70	ES0184262212		Units	17,534	3,899	2,898	EUR 52.300	917,028.20	0.47
Derivatives								-110,820.00	-0.06
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-110,820.00	-0.06
Receivables/liabilities									
Equity index futures contracts								-110,820.00	-0.06
STOXX 600 FOOD MAR 18		EURX	Number	58			EUR	-110,820.00	-0.06
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								220,477.96	0.11
Bank accounts								220,477.96	0.11
EUR balances								217,359.36	0.11
Depository: State Street Bank International GmbH			EUR	217,359.36			% 100.000	217,359.36	0.11
Balances in other EU/EEA currencies								3,118.60	0.00
Depository: State Street Bank International GmbH			DKK	5,730.99			% 100.000	769.70	0.00
			GBP	0.26			% 100.000	0.29	0.00
			NOK	22,592.50			% 100.000	2,348.61	0.00
Other assets								1,789,056.28	0.93
Dividend claims			CHF	15,870.93				13,769.31	0.01
			GBP	256,304.91				289,550.09	0.15
			NOK	486,969.60				50,623.14	0.03
Withholding tax reimbursement claims			CHF	1,042,982.29				904,871.15	0.47
			EUR	317,542.59				317,542.59	0.16
Initial margin			EUR	116,090.00				116,090.00	0.06
Paid variation margin			EUR	96,610.00				96,610.00	0.05

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²⁴⁾
Liabilities arising from loans								-26.15	-0.00
Loans in non-EU/EEA currencies								-26.15	-0.00
			CHF	-30.14		%	100.000	-26.15	-0.00
Other liabilities								-69,290.84	-0.04
Management fee			EUR	-67,343.50				-67,343.50	-0.03
Other liabilities			EUR	-1,947.34				-1,947.34	-0.00
sub-funds							EUR	193,401,245.39	100.00
Share value							EUR	62.39	
Shares in circulation							Units	3,100,000	

24) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities				
Exchange-traded securities				
Shares				
Davide Campari-Milano S.p.A. Azioni nom. EO 0.10	IT0003849244	Units	5,245	104,126
Derivatives				
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)				
Futures contracts				
Equity index futures contracts				
Purchased contracts:				10,326
Underlying			security(ies):	
STXE 600 Food & Beverage Index (Price) (EUR)				

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 34,594
Underlyings:	
Aryzta AG Namens-Aktien SF -.02 (CH0043238366), Carlsberg AS Navne-Aktier B DK 20 (DK0010181759), Danone S.A. Actions Port. EO -.25 (FR0000120644), Pernod-Ricard S.A. Actions Port. (C.R.) o.N. (FR0000120693)	

Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from foreign issuers (before withholding tax)	EUR	5,163,262.20
2. Income from securities lending and securities repurchase agreements	EUR	15,983.10
3. Deduction of foreign withholding tax	EUR	-1,031,427.55
4. Other income	EUR	939,593.94
Total income	EUR	5,087,411.69
II. Expenses		
1. Interest from borrowings	EUR	-128.57
2. Management fee	EUR	-918,975.84
3. Other expenses	EUR	-31,112.06
Total expenses	EUR	-950,216.47
III. Ordinary net income	EUR	4,137,195.22
IV. Disposals		
1. Realised gains	EUR	3,930,908.18
2. Realised losses	EUR	-405,315.64
Gain/loss on disposals	EUR	3,525,592.54
V. Annual realised results	EUR	7,662,787.76
1. Net change in unrealised gains	EUR	675,596.59
2. Net change in unrealised losses	EUR	-5,529,553.55
VI. Annual unrealised results	EUR	-4,853,956.96
VII. Result for the financial year	EUR	2,808,830.80

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	180,082,204.35
1. Distribution for the previous year	EUR	-480,602.33
2. Interim distributions	EUR	-3,651,646.71
3. Inflow/outflow of funds (net)	EUR	14,736,855.00
a) Inflow of funds from sale of equities	EUR	34,418,492.50
b) Outflow of funds from redemption of equities	EUR	-19,681,637.50
4. Income adjustment/cost compensation	EUR	-94,395.72
5. Result for the financial year	EUR	2,808,830.80
of which unrealised gains	EUR	675,596.59
of which unrealised losses	EUR	-5,529,553.55
II. Value of sub-fund assets at end of financial year	EUR	193,401,245.39

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	37,198,792.58	12.00
1. Carryforward from the previous year ²⁵⁾	EUR	29,130,689.18	9.40
2. Realised net income for the financial year	EUR	7,662,787.76	2.47
3. Transfer from sub-fund assets ²⁶⁾	EUR	405,315.64	0.13
II. Not used for distribution	EUR	-33,333,912.37	-10.75
1. Reinvested	EUR	-4,323,725.56	-1.39
2. Carryforward to new account	EUR	-29,010,186.81	-9.36
III. Total pay-out	EUR	3,864,880.21	1.25
1. Interim distribution	EUR	3,651,646.71	1.18
2. Final year-end distribution	EUR	213,233.50	0.07

25) Difference from the previous year because of income adjustment calculated on carryforwards.

26) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	193,401,245.39	62.39
2016/2017	EUR	180,082,204.35	62.64
2015/2016	EUR	159,147,614.95	61.21
2014/2015	EUR	130,920,986.93	63.86

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	1,824,390.00
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Counterparty to derivatives transactions:

CREDIT SUISSE SECURITIES (EUROPE) LIMITED

		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	62.39
Shares in circulation	Units	3,100,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0030% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	5,934.27
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0127% p.a. is due to the depository based on the average net asset value, and 0.0464% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 939,593.94 is broken down as follows:

a) Compensation payments:	EUR	489,461.39
b) Income from withholding tax refunds/claims:	EUR	446,314.15
c) Other income:	EUR	3,818.40

Other expenses amounting to EUR 31,112.06 are broken down as follows:

a) Bank custody fees:	EUR	26,830.67
b) Other expenditure:	EUR	4,281.39

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 22,039.45.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.94 percentage points
Annual tracking difference level	-0.15 percentage points

The STOXX® Europe 600 Food & Beverage Index (Net Total Return Index) posted a performance of 1.72% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) recorded a performance of 1.57% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)
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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 15,983.10
Income share as % of gross income	62.87
Absolute cost share	EUR 5,934.27

Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²⁷⁾
Securities								468,940,022.46	98.67
Exchange-traded securities								468,940,022.46	98.67
Shares								405,594,339.12	85.34
Abylnx NV Actions au Port. o.N.	BE0003877942		Units	35,410	35,410	-	EUR 43.760	1,549,541.60	0.33
AstraZeneca PLC Registered Shares DL -.25	GB0009895292		Units	599,928	74,460	494,313	GBP 47.750	32,362,293.04	6.81
Bayer AG Namens-Aktien o.N.	DE000BAY0017		Units	391,887	431,497	39,610	EUR 96.230	37,711,286.01	7.93
BB Biotech AG Namens-Aktien SF 0.20	CH0038389992		Units	26,254	3,245	21,647	CHF 69.350	1,579,616.84	0.33
bioMerieux Actions au Porteur (P.S.) o.N.	FR0013280286		Units	20,193	26,355	6,162	EUR 63.200	1,276,197.60	0.27
BTG PLC Registered Shares LS -.10	GB0001001592		Units	162,183	19,986	132,615	GBP 6.565	1,202,837.17	0.25
Christian Hansen Holding AS Navne-Aktier DK 10	DK0060227585		Units	46,426	4,134	37,423	DKK 509.000	3,173,746.27	0.67
Coloplast AS Navne-Aktier B DK 1	DK0060448595		Units	55,032	6,813	45,519	DKK 517.600	3,825,627.83	0.80
ConvaTec Group PLC Registered Shares WI LS -.10	GB00BD3VFW73		Units	672,641	1,045,751	373,110	GBP 2.065	1,569,170.63	0.33
Elekta AB Namn-Aktier B SK 2	SE0000163628		Units	174,672	21,612	144,089	SEK 75.920	1,312,276.54	0.28
Essilor Intl -Cie Génle Opt.SA Actions Port. EO 0.18	FR0000121667		Units	103,512	12,805	85,126	EUR 107.850	11,163,769.20	2.35
Eurofins Scientific S.E. Actions Port. EO 0.1	FR0000038259		Units	5,180	1,098	3,731	EUR 463.600	2,401,448.00	0.51
Fresenius Medical Care KGaA Inhaber-Aktien o.N.	DE0005785802		Units	101,211	12,540	82,828	EUR 87.100	8,815,478.10	1.85
Fresenius SE & Co. KGaA Inhaber-Aktien o.N.	DE0005785604		Units	194,254	24,171	154,228	EUR 67.100	13,034,443.40	2.74
Galapagos N.V. Actions Nom. o.N.	BE0003818359		Units	20,916	5,603	16,464	EUR 86.580	1,810,907.28	0.38
GENMAB AS Navne Aktier DK 1	DK0010272202		Units	28,996	3,851	23,522	DKK 1,247.000	4,856,212.68	1.02
Gerresheimer AG Inhaber-Aktien o.N.	DE000A0LD6E6		Units	14,880	1,839	12,283	EUR 63.100	938,928.00	0.20
Getinge AB Namn-Aktier B (fria) SK 2	SE0000202624		Units	105,736	28,809	80,461	SEK 104.600	1,094,461.36	0.23
GlaxoSmithKline PLC Registered Shares LS -.25	GB0009252882		Units	2,330,858	293,031	1,892,550	GBP 13.072	34,421,091.19	7.24
GN Store Nord AS Navne-Aktier DK 1	DK0010272632		Units	64,931	11,834	63,705	DKK 211.500	1,844,402.14	0.39
Grifols S.A. Acciones Port. Class A EO -.25	ES0171996087		Units	139,764	17,289	115,272	EUR 22.580	3,155,871.12	0.66
H. Lundbeck A/S Navne-Aktier DK 5	DK0010287234		Units	28,770	3,540	23,281	DKK 320.700	1,239,173.10	0.26
Indivior PLC Registered Shares DL 0.10	GB00BRS65X63		Units	341,898	42,373	281,400	GBP 3.811	1,471,981.28	0.31
Ipsen S.A. Actions au Porteur EO 1	FR0010259150		Units	17,261	2,121	13,926	EUR 120.850	2,085,991.85	0.44
Koninklijke Philips N.V. Aandelen aan toonder EO 0.20	NL0000009538		Units	445,893	790,303	344,410	EUR 31.530	14,059,006.29	2.96
Lonza Group AG Namens-Aktien SF 1	CH0013841017		Units	35,290	19,575	26,934	CHF 240.800	7,372,553.80	1.55
Mediclinic International PLC Registered Shares LS -.10	GB00B8HX8Z88		Units	165,535	19,897	136,093	GBP 5.918	1,106,704.24	0.23
Merck KGaA Inhaber-Aktien o.N.	DE0006599905		Units	61,247	7,575	50,524	EUR 82.220	5,035,728.34	1.06
NMC HEALTH PLC Registered Shares LS -.10	GB00B7FC0762		Units	39,353	43,331	3,978	GBP 34.340	1,526,669.10	0.32
Novartis AG Namens-Aktien SF 0.50	CH0012005267		Units	1,166,574	100,061	1,051,358	CHF 79.160	80,117,592.08	16.86
Novo-Nordisk AS Navne-Aktier B DK -.20	DK0060534915		Units	851,834	71,547	710,908	DKK 316.600	36,220,883.12	7.62
Novozymes A/S Navne-Aktier B DK 2	DK0060336014		Units	99,613	9,334	81,158	DKK 315.000	4,214,244.49	0.89
Orion Corp. Registered Shares Cl.B o.N.	FI0009014377		Units	49,350	6,358	39,876	EUR 26.800	1,322,580.00	0.28
Orpea Actions Port. EO 1.25	FR0000184798		Units	22,625	4,299	14,146	EUR 98.680	2,232,635.00	0.47
Qiagen N.V. Aandelen op naam EO -.01	NL0012169213		Units	109,389	13,534	92,014	EUR 27.700	3,030,075.30	0.64
Recordati - Ind.Chim.Farm. SpA Azioni nom. EO 0.125	IT0003828271		Units	48,293	5,968	39,825	EUR 29.450	1,422,228.85	0.30
Sanofi S.A. Actions Port. EO 2	FR0000120578		Units	542,566	46,323	450,113	EUR 65.030	35,283,066.98	7.42
Shire PLC Registered Shares LS -.05	JE00B2QKY057		Units	434,087	55,249	355,536	GBP 31.090	15,246,293.65	3.21
Smith & Nephew PLC Registered Shares DL -.20	GB0009223206		Units	422,171	53,089	368,059	GBP 12.685	6,049,864.50	1.27
Sonova Holding AG Namens-Aktien SF 0.05	CH0012549785		Units	25,948	3,212	21,412	CHF 148.400	3,340,777.87	0.70
STADA Arzneimittel AG Namens-Aktien o.N.	DE0007251803		Units	10,488	42,234	82,025	EUR 85.500	896,724.00	0.19
Straumann Holding AG Namens-Aktien SF 0.10	CH0012280076		Units	5,298	649	4,427	CHF 640.500	2,944,020.96	0.62
Swedish Orphan Biovitrum AB Namn-Aktier SK 1	SE0000872095		Units	78,130	9,112	62,651	SEK 136.850	1,058,055.62	0.22
UCB S.A. Actions Nom. o.N.	BE0003739530		Units	58,955	7,267	48,257	EUR 68.080	4,013,656.40	0.84
UDG Healthcare PLC Registered Shares EO -.05	IE0033024807		Units	121,249	183,253	62,004	GBP 8.360	1,145,120.58	0.24
Vifor Pharma AG Nam.-Akt. SF 0.01	CH0364749348		Units	21,994	28,705	6,711	CHF 133.200	2,541,664.69	0.53

**Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ²⁷⁾
William Demant Hldg AS Navne Aktier A DK 0.2	DK0060738599		Units	51,544	10,395	48,938 DKK	219.200	1,517,441.03	0.32
Other investment securities								63,345,683.34	13.33
Roche Holding AG Inhaber-Genußscheine o.N.	CH0012032048		Units	332,942	78,759	255,716 CHF	219.300	63,345,683.34	13.33
Derivatives								-240,790.00	-0.05
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-240,790.00	-0.05
Receivables/liabilities									
Equity index futures contracts								-240,790.00	-0.05
STXE 600 HLTH MAR 18		EURX	Number	194		EUR		-240,790.00	-0.05
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								398,517.78	0.08
Bank accounts								398,517.78	0.08
EUR balances								366,691.03	0.08
Depository: State Street Bank International GmbH			EUR	366,691.03		%	100.000	366,691.03	0.08
Balances in other EU/EEA currencies								20,049.30	0.00
Depository: State Street Bank International GmbH			DKK	32,841.97		%	100.000	4,410.85	0.00
			GBP	5,982.02		%	100.000	6,757.94	0.00
			SEK	89,741.15		%	100.000	8,880.51	0.00
Non-EU/EEA currencies								11,777.45	0.00
Depository: State Street Bank International GmbH			CHF	13,573.70		%	100.000	11,776.28	0.00
			USD	1.43		%	100.000	1.17	0.00
Other assets								6,348,262.13	1.34
Dividend claims			GBP	1,337,601.15				1,511,100.72	0.32
Withholding tax reimbursement claims			CHF	4,733,489.79				4,106,683.70	0.86
			EUR	204,137.71				204,137.71	0.04
Initial margin			EUR	352,480.00				352,480.00	0.07
Paid variation margin			EUR	173,860.00				173,860.00	0.04
Other liabilities								-169,919.24	-0.04
Management fee			EUR	-165,501.19				-165,501.19	-0.03
Other liabilities			EUR	-4,418.05				-4,418.05	-0.00
sub-funds							EUR	475,276,093.13	100.00
Share value							EUR	68.39	
Shares in circulation							Units	6,950,000	

²⁷⁾ Rounding of percentages during the calculation may result in slight rounding differences.

**Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE)
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**Transactions during the reporting period, insofar as these no longer appear in the assets listed:
Securities purchases and sales, investment units and bonds (market allocation on the reporting date)**

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Actelion Ltd. Nam.-Aktien SF 0.50	CH0010532478	Units	1,623	88,481	
Arjo AB Namn-Aktier B o.N.	SE0010468116	Units	138,004	138,004	
Getinge AB Anrechte B	SE0010219758	Units	121,228	121,228	
Getinge AB Namn-Akt.B (fria) Em.8/17 SK 2	SE0010219766	Units	17,318	17,318	
Hikma Pharmaceuticals PLC Registered Shares LS -.10	GB00B0LCW083	Units	7,748	110,048	
Idorsia AG Namens-Aktien SF -.05	CH0363463438	Units	72,495	72,495	
Lonza Group AG Anrechte	CH0351063620	Units	43,772	43,772	

Unlisted securities

Shares					
bioMerieux Actions au Porteur o.N.	FR0010096479	Units	10,938	10,938	
STADA Arzneimittel AG z.Verkauf eing.Namens-Aktien	DE000A2GS5A4	Units	38,669	38,669	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:					45,868
Underlying				security(ies):	
STXE 600 Health Care Index (Price) (EUR)					

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
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Unlimited	EUR	18,031
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Underlyings:

BTG PLC Registered Shares LS -.10 (GB0001001592), Elekta AB Namn-Aktier B SK 2 (SE0000163628), GN Store Nord AS Navne-Aktier DK 1 (DK0010272632), Galapagos N.V. Actions Nom. o.N. (BE0003818359), Hikma Pharmaceuticals PLC Registered Shares LS -.10 (GB00B0LCW083), Indivior PLC Registered Shares DL 0.10 (GB00BRS65X63), Mediclinic International PLC Registered Shares LS -.10 (GB00B8HX8Z88), Orpea Actions Port. EO 1.25 (FR0000184798)

Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	415,050.57
2. Dividends from foreign issuers (before withholding tax)	EUR	17,932,711.84
3. Interest from domestic liquidity investments	EUR	29.96
4. Income from securities lending and securities repurchase agreements	EUR	10,065.77
5. Deduction of foreign withholding tax	EUR	-3,297,721.98
6. Other income	EUR	1,238,016.71
Total income	EUR	16,298,152.87
II. Expenses		
1. Interest from borrowings	EUR	-1,839.71
2. Management fee	EUR	-2,333,302.70
3. Other expenses	EUR	-69,460.99
Total expenses	EUR	-2,404,603.40
III. Ordinary net income	EUR	13,893,549.47
IV. Disposals		
1. Realised gains	EUR	41,553,417.13
2. Realised losses	EUR	-6,394,284.81
Gain/loss on disposals	EUR	35,159,132.32
V. Annual realised results	EUR	49,052,681.79
1. Net change in unrealised gains	EUR	-55,457,697.64
2. Net change in unrealised losses	EUR	-35,590,069.73
VI. Annual unrealised results	EUR	-91,047,767.37
VII. Result for the financial year	EUR	-41,995,085.58

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	786,709,624.43
1. Distribution for the previous year	EUR	-3,006,225.60
2. Interim distributions	EUR	-13,158,007.08
3. Inflow/outflow of funds (net)	EUR	-265,999,662.50
a) Inflow of funds from sale of equities	EUR	31,977,592.50
b) Outflow of funds from redemption of equities	EUR	-297,977,255.00
4. Income adjustment/cost compensation	EUR	12,725,449.46
5. Result for the financial year	EUR	-41,995,085.58
of which unrealised gains	EUR	-55,457,697.64
of which unrealised losses	EUR	-35,590,069.73
II. Value of sub-fund assets at end of financial year	EUR	475,276,093.13

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	133,593,613.57	19.22
1. Carryforward from the previous year ²⁸⁾	EUR	78,146,646.97	11.24
2. Realised net income for the financial year	EUR	49,052,681.79	7.06
3. Transfer from sub-fund assets ²⁹⁾	EUR	6,394,284.81	0.92
II. Not used for distribution	EUR	-119,517,191.79	-17.20
1. Reinvested	EUR	-48,225,777.82	-6.94
2. Carryforward to new account	EUR	-71,291,413.97	-10.26
III. Total pay-out	EUR	14,076,421.78	2.02
1. Interim distribution	EUR	13,158,007.08	1.89
2. Final year-end distribution	EUR	918,414.70	0.13

28) Difference from the previous year because of income adjustment calculated on carryforwards.

29) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	475,276,093.13	68.39
2016/2017	EUR	786,709,624.43	74.92
2015/2016	EUR	506,393,294.94	71.83
2014/2015	EUR	580,540,158.75	80.63

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives: EUR 6,693,291.00

Counterparty to derivatives transactions:

CREDIT SUISSE SECURITIES (EUROPE) LIMITED

**Market value of securities
in EUR**

Total sum in connection with third-party derivatives for collateral: EUR 0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	68.39
Shares in circulation	Units	6,950,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0007% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	3,774.64
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0124% p.a. is due to the depository based on the average net asset value, and 0.0612% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Health Care UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 1,238,016.71 is broken down as follows:

a) Compensation payments:	EUR	21,936.99
b) Income from withholding tax refunds/claims:	EUR	1,216,079.72

Other expenses amounting to EUR 69,460.99 are broken down as follows:

a) Bank custody fees:	EUR	62,339.05
b) Other expenditure:	EUR	7,121.94

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 122,935.74.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.53 percentage points
Annual tracking difference level	-0.29 percentage points

The STOXX® Europe 600 Health Care Index (Net Total Return Index) posted a performance of -6.20% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Personal & Health Care UCITS ETF (DE) recorded a performance of -6.49% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard.

The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Health Care UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 10,065.77
Income share as % of gross income	62.50
Absolute cost share	EUR 3,774.64

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁰⁾
Securities								154,795,739.45	99.10
Exchange-traded securities								154,795,739.45	99.10
Shares								153,528,196.62	98.29
A.P.Møller-Mærsk A/S Navne-Aktier B DK 1000	DK0010244508		Units	1,122	603	157 DKK	10,025.000	1,510,672.74	0.97
Aalberts Industries N.V. Aandelen aan toonder EO 0.25	NL0000852564		Units	15,529	8,274	2,184 EUR	41.270	640,881.83	0.41
ABB Ltd. Namens-Aktien SF 0.12	CH0012221716		Units	332,300	179,826	53,748 CHF	23.060	6,648,129.25	4.26
Abertis Infraestructuras S.A. Acciones Nom. EO 3	ES0111845014		Units	112,631	61,606	15,256 EUR	19.600	2,207,567.60	1.41
Adecco Group AG Namens-Aktien SF 0.1	CH0012138605		Units	27,713	14,766	3,897 CHF	76.260	1,833,539.00	1.17
Aena SME S.A. Acciones Port. EO 10	ES0105046009		Units	11,900	6,339	1,673 EUR	167.650	1,995,035.00	1.28
Aggreko PLC Registered Shares LS-.04832911	GB00BK1PTB77		Units	41,470	22,095	5,831 GBP	7.474	350,149.82	0.22
Airbus SE Aandelen op naam EO 1	NL0000235190		Units	92,290	53,891	17,572 EUR	98.340	9,075,798.60	5.81
Alfa Laval AB Namn-Aktier SK 2.5	SE0000695876		Units	48,152	25,657	6,772 SEK	200.300	954,423.56	0.61
Alstom S.A. Actions Port. EO 7	FR0010220475		Units	25,805	13,858	3,510 EUR	34.650	894,143.25	0.57
Amadeus IT Group S.A. Acciones Port. EO 0.01	ES0109067019		Units	71,049	37,852	9,992 EUR	60.560	4,302,727.44	2.75
Andritz AG Inhaber-Aktien o.N.	AT0000730007		Units	11,535	6,144	1,621 EUR	47.700	550,219.50	0.35
Ashtead Group PLC Registered Shares LS -.10	GB0000536739		Units	80,829	49,600	17,902 GBP	21.140	1,930,362.92	1.24
Atlantia S.p.A. Azioni Nom. EO 1	IT0003506190		Units	75,610	40,286	10,634 EUR	25.380	1,918,981.80	1.23
Atlas Copco AB Namn-Aktier A SK-.10425	SE0006886750		Units	104,363	55,603	14,677 SEK	355.100	3,667,271.81	2.35
Aéroports de Paris S.A. Actions au Port. EO 3	FR0010340141		Units	4,530	2,691	1,411 EUR	166.000	751,980.00	0.48
Babcock International Grp PLC Registered Shares LS -.60	GB0009697037		Units	40,931	21,806	5,756 GBP	6.518	301,393.23	0.19
BAE Systems PLC Registered Shares LS -.025	GB0002634946		Units	515,771	275,529	72,220 GBP	5.794	3,375,998.06	2.16
BBA Aviation PLC Registered Shares LS -.2976	GB00B1FP8915		Units	145,245	77,362	20,362 GBP	3.448	565,763.89	0.36
Bolloré S.A. Actions Port. EO 0.16	FR0000039299		Units	146,317	79,554	19,592 EUR	4.646	679,788.78	0.44
bpost S.A. Actions Nom. Compartm. A o.N.	BE0974268972		Units	15,854	8,447	2,230 EUR	27.880	442,009.52	0.28
Bunzl PLC Registered Shares LS -.3214857	GB00B0744B38		Units	54,387	28,968	7,604 GBP	19.550	1,201,181.52	0.77
Bureau Veritas SA Actions au Porteur EO -.12	FR0006174348		Units	42,881	22,663	5,857 EUR	21.510	922,370.31	0.59
Capita PLC Reg. Shares LS -.02066666	GB00B23K0M20		Units	108,518	57,799	15,240 GBP	1.762	215,949.01	0.14
CNH Industrial N.V. Aandelen op naam EO -.01	NL0010545661		Units	161,486	86,108	22,513 EUR	11.145	1,799,761.47	1.15
Cobham PLC Registered Shares LS -.025	GB00B07KD360		Units	399,427	283,790	59,923 GBP	1.134	511,927.78	0.33
Dassault Aviation S.A. Actions Port. EO 8	FR0000121725		Units	376	204	51 EUR	1,427.000	536,552.00	0.34
DCC PLC Registered Shares EO -.25	IE0002424939		Units	14,965	7,972	2,105 GBP	66.350	1,121,719.91	0.72
Deutsche Post AG Namens-Aktien o.N.	DE0005552004		Units	155,392	86,537	25,520 EUR	37.640	5,848,954.88	3.74
DKSH Holding AG Nam.-Aktien SF -.10	CH0126673539		Units	5,121	2,697	720 CHF	80.400	357,207.55	0.23
dormakaba Holding AG Namens-Aktien SF 0.10	CH0011795959		Units	492	263	70 CHF	868.500	370,718.91	0.24
DS Smith PLC Registered Shares LS -.10	GB0008220112		Units	164,101	92,159	21,246 GBP	4.796	889,113.46	0.57
DSV A/S Indehaver Bonus-Aktier DK 1	DK0060079531		Units	30,762	16,388	4,326 DKK	480.400	1,984,772.44	1.27
Dürr AG Inhaber-Aktien o.N.	DE0005565204		Units	3,989	2,112	561 EUR	100.950	402,689.55	0.26
Edenred S.A. Actions Port. EO 2	FR0010908533		Units	38,114	22,892	5,207 EUR	28.930	1,102,638.02	0.71
Electrocomponents PLC Registered Shares LS 0.10	GB0003096442		Units	71,615	81,534	9,919 GBP	6.286	508,563.46	0.33
Elis S.A. Actions au Porteur EO 1.-	FR0012435121		Units	30,963	34,801	3,838 EUR	21.080	652,700.04	0.42
Eurazeo SE Actions au Porteur o.N.	FR0000121121		Units	6,941	3,896	1,426 EUR	78.450	544,521.45	0.35
Experian PLC Registered Shares DL -.10	GB00B19NLV48		Units	149,948	79,321	23,652 GBP	15.560	2,635,827.89	1.69
Ferguson PLC Reg. Shares LS -.108030303	JE00BFNVV485		Units	40,602	21,773	6,035 GBP	51.460	2,360,391.20	1.51
Fischer AG, Georg Namens-Aktien SF 1	CH0001752309		Units	663	352	93 CHF	1,384.000	796,084.98	0.51
Flughafen Zürich AG Namens-Aktien SF 10	CH0319416936		Units	3,062	1,634	432 CHF	225.200	598,250.93	0.38
Fraport AG Ffm.Airport.Ser.AG Inhaber-Aktien o.N.	DE0005773303		Units	6,027	3,191	843 EUR	84.140	507,111.78	0.32
G4S PLC Registered Shares LS -.25	GB00B01FLG62		Units	251,219	133,845	35,330 GBP	2.624	744,702.98	0.48
GEA Group AG Inhaber-Aktien o.N.	DE0006602006		Units	26,833	14,799	5,226 EUR	38.950	1,045,145.35	0.67
Groupe Eurotunnel SE Actions Port. EO -.40	FR0010533075		Units	75,238	40,085	10,581 EUR	10.565	794,889.47	0.51

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁰⁾
Halma PLC Registered Shares LS -.10	GB0004052071		Units	61,469	32,751	8,646 GBP	12.050	836,777.46	0.54
Hays PLC Registered Shares LS -.01	GB0004161021		Units	220,222	117,264	30,746 GBP	1.937	481,900.19	0.31
Homeserve PLC Reg. Sh. LS -.0269230769	GB00BYTTFB60		Units	46,679	48,249	1,570 GBP	7.200	379,682.71	0.24
Howden Joinery Group PLC Registered Shares LS -.10	GB0005576813		Units	101,711	54,625	15,838 GBP	4.441	510,288.14	0.33
Huhtamäki Oyj Registered Shares o.N.	FI0009000459		Units	15,503	8,258	2,181 EUR	34.790	539,349.37	0.35
IMI PLC Registered Shares LS -.2857	GB00BGLP8L22		Units	46,351	24,692	6,511 GBP	12.270	642,496.03	0.41
Intertek Group PLC Registered Shares LS -.01	GB0031638363		Units	26,131	13,922	3,674 GBP	49.130	1,450,339.16	0.93
ISS AS Indehaver Aktier DK 1	DK0060542181		Units	26,974	15,944	3,404 DKK	222.300	805,337.59	0.52
IWG PLC Registered Shares LS 0.01	JE00BYVQYS01		Units	111,782	60,017	16,182 GBP	2.345	296,129.38	0.19
KION GROUP AG Inhaber-Aktien o.N.	DE000KGX8881		Units	10,848	6,074	1,627 EUR	70.480	764,567.04	0.49
KONE Corp. (New) Registered Shares Cl.B o.N.	FI0009013403		Units	65,640	35,014	9,228 EUR	42.590	2,795,607.60	1.79
Konecranes Oyj Registered Shares o.N.	FI0009005870		Units	11,665	12,057	392 EUR	36.330	423,789.45	0.27
Koninklijke Vopak N.V. Aandelen aan toonder EO 0.50	NL0009432491		Units	10,731	5,717	1,509 EUR	38.850	416,899.35	0.27
Kühne & Nagel Internat. AG Namens-Aktien SF 1	CH0025238863		Units	9,073	4,829	1,277 CHF	154.700	1,217,730.08	0.78
Legrand S.A. Actions au Port. EO 4	FR0010307819		Units	43,072	22,927	6,140 EUR	64.540	2,779,866.88	1.78
Leonardo S.p.A. Azioni nom. EO 4.40	IT0003856405		Units	43,086	9,697	- EUR	8.850	381,311.10	0.24
Loomis AB Namn-Aktier Series B o.N.	SE0002683557		Units	11,634	13,271	1,637 SEK	302.200	347,911.99	0.22
MAN SE Inhaber-Stammaktien o.N.	DE0005937007		Units	5,540	2,954	784 EUR	93.600	518,544.00	0.33
Meggitt PLC Registered Shares LS -.05	GB0005758098		Units	125,688	66,961	17,597 GBP	4.526	642,650.94	0.41
Metso Corp. Registered Shares o.N.	FI0009007835		Units	17,352	9,246	2,441 EUR	26.370	457,572.24	0.29
MTU Aero Engines AG Namens-Aktien o.N.	DE000A0D9PT0		Units	8,419	4,487	1,185 EUR	137.600	1,158,454.40	0.74
OC Oerlikon Corporation AG Namens-Aktien SF 1	CH0000816824		Units	31,339	16,599	4,408 CHF	16.050	436,385.17	0.28
Philips Lighting N.V. Registered Shares EO -.01	NL0011821392		Units	13,667	16,116	2,449 EUR	32.560	444,997.52	0.28
Prysmian S.p.A. Azioni nom. EO 0.10	IT0004176001		Units	35,090	20,017	4,934 EUR	25.920	909,532.80	0.58
Randstad Holding N.V. Aandelen aan toonder EO 0.10	NL0000379121		Units	19,949	10,646	2,805 EUR	58.860	1,174,198.14	0.75
Rentokil Initial PLC Registered Shares LS 0.01	GB00B082RF11		Units	297,484	157,903	41,836 GBP	2.896	973,260.16	0.62
Rexel S.A. Actions au Porteur EO 5	FR0010451203		Units	49,115	26,254	6,889 EUR	14.475	710,939.63	0.46
Rolls Royce Holdings PLC Registered Shares LS 0.20	GB00B63H8491		Units	298,011	158,688	41,644 GBP	8.396	2,826,646.53	1.81
Rotork PLC Registered Shares LS -.005	GB00BVFNZH21		Units	140,891	75,091	19,805 GBP	2.950	469,539.41	0.30
Royal Mail PLC Registered Shares LS -.01	GB00BDVZY777		Units	161,910	86,262	22,770 GBP	5.600	1,024,303.08	0.66
RPC Group PLC Registered Shares LS -.05	GB0007197378		Units	67,033	35,768	9,540 GBP	8.040	608,851.64	0.39
Saab AB Namn-Aktier B SK 25	SE0000112385		Units	10,813	5,769	1,539 SEK	377.900	404,360.73	0.26
SAFRAN Actions Port. EO 0.20	FR0000073272		Units	58,069	31,510	8,167 EUR	90.900	5,278,472.10	3.38
Sandvik AB Namn-Aktier o.N.	SE0000667891		Units	179,032	95,287	25,178 SEK	154.500	2,737,190.47	1.75
Sartorius AG Vorzugsaktien o.St. o.N.	DE0007165631		Units	5,533	2,948	778 EUR	111.000	614,163.00	0.39
Schneider Electric SE Actions Port. EO 4	FR0000121972		Units	90,519	49,841	17,558 EUR	71.580	6,479,350.02	4.15
Securitas AB Namn-Aktier B SK 1	SE0000163594		Units	51,927	27,665	7,302 SEK	142.900	734,296.29	0.47
SGS S.A. Namens-Aktien SF 1	CH0002497458		Units	865	467	143 CHF	2,407.000	1,806,350.43	1.16
Siemens AG Namens-Aktien o.N.	DE0007236101		Units	137,625	73,325	19,356 EUR	108.440	14,924,055.00	9.55
SKF AB Namn-Aktier B SK 0.625	SE0000108227		Units	60,821	32,406	8,549 SEK	174.450	1,049,954.32	0.67
Smiths Group PLC Registered Shares LS -.375	GB00B1WY2338		Units	64,072	34,126	8,970 GBP	15.975	1,156,314.38	0.74
Smurfit Kappa Group PLC Registered Shares EO -.001	IE00B1RR8406		Units	35,672	19,311	4,929 EUR	28.700	1,023,786.40	0.66
Spectris PLC Registered Shares LS -.05	GB0003308607		Units	20,240	10,782	2,846 GBP	27.250	623,079.97	0.40
Spie S.A. Actions Nom. EO 0.47	FR0012757854		Units	18,356	20,863	2,507 EUR	20.300	372,626.80	0.24
Spirax-Sarco Engineering PLC Reg. Shares LS -.26923076	GB00BWFQGN14		Units	11,910	6,345	1,672 GBP	57.100	768,271.37	0.49
THALES S.A. Actions Port. (C.R.) EO 3	FR0000121329		Units	16,841	8,971	2,368 EUR	91.540	1,541,625.14	0.99
ThyssenKrupp AG Inhaber-Aktien o.N.	DE0007500001		Units	79,698	46,926	10,099 EUR	22.320	1,778,859.36	1.14
Travis Perkins PLC Registered Shares LS -.10	GB0007739609		Units	40,658	21,738	5,685 GBP	12.850	590,222.71	0.38
Trelleborg AB Namn-Aktier B (fria) SK 25	SE0000114837		Units	39,275	20,928	5,525 SEK	212.700	826,665.01	0.53
Téléperformance SE Actions Port. EO 2.5	FR0000051807		Units	8,862	4,718	1,214 EUR	117.100	1,037,740.20	0.66
VAT Group AG Namens-Aktien SF -.10	CH0311864901		Units	3,506	3,506	- CHF	152.000	462,344.09	0.30

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁰⁾
Volvo (publ), AB Namn-Aktier B (fria) o.N.	SE0000115446		Units	252,013	134,605	34,738	SEK 156.950	3,914,083.96	2.51
Weir Group PLC, The Registered Shares LS -.125	GB0009465807		Units	36,380	19,890	4,890	GBP 20.360	836,772.21	0.54
Wirecard AG Inhaber-Aktien o.N.	DE0007472060		Units	18,606	9,911	2,616	EUR 98.720	1,836,784.32	1.18
Wärtsilä Corp. Reg. Shares o.N.	FI0009003727		Units	24,526	13,066	3,448	EUR 57.940	1,421,036.44	0.91
Zodiac Aerospace Actions au Porteur o.N.	FR0000125684		Units	33,374	17,933	4,693	EUR 24.970	833,348.78	0.53
Other investment securities								1,267,542.83	0.81
Schindler Holding AG Inhaber-Part.sch. SF 0.10	CH0024638196		Units	6,593	3,513	927	CHF 221.600	1,267,542.83	0.81
Derivatives								-22,056.95	-0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-22,056.95	-0.01
Receivables/liabilities									
Equity index futures contracts								-22,056.95	-0.01
STOXX 600 INDUS MAR 18		EURX	Number	51			EUR	-22,056.95	-0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								1,112,097.06	0.71
Bank accounts								1,112,097.06	0.71
EUR balances								1,086,806.24	0.70
Depository: State Street Bank International GmbH			EUR	1,086,806.24			% 100.000	1,086,806.24	0.70
Balances in other EU/EEA currencies								25,290.82	0.02
Depository: State Street Bank International GmbH			DKK	1,306.74			% 100.000	175.50	0.00
			GBP	22,231.48			% 100.000	25,115.11	0.02
			NOK	2.04			% 100.000	0.21	0.00
Other assets								377,869.23	0.24
Dividend claims			EUR	92,060.10				92,060.10	0.06
Withholding tax reimbursement claims			CHF	102,634.51				89,043.71	0.06
			EUR	78,633.47				78,633.47	0.05
Initial margin			EUR	105,000.00				105,000.00	0.07
Paid variation margin			EUR	13,131.95				13,131.95	0.01
Liabilities arising from loans								-3,021.90	-0.00
Loans in other EU/EEA currencies								-1,581.13	-0.00
			SEK	-15,977.98			% 100.000	-1,581.13	-0.00
Loans in non-EU/EEA currencies								-1,440.77	-0.00
			CHF	-1,660.68			% 100.000	-1,440.77	-0.00
Other liabilities								-55,237.25	-0.04
Management fee			EUR	-53,797.98				-53,797.98	-0.03
Other liabilities			EUR	-1,439.27				-1,439.27	-0.00
sub-funds							EUR	156,205,389.64	100.00
Share value							EUR	52.95	
Shares in circulation							Units	2,950,000	

30) Rounding of percentages during the calculation may result in slight rounding differences.

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
AA PLC Registered Shares LS -.001	GB00BMSKPJ95	Units	33,187	93,455	
Berendsen PLC Registered Shares LS -.30	GB00B0F99717	Units	463	17,540	
Bilfinger SE Inhaber-Aktien o.N.	DE0005909006	Units	2,357	6,910	
Cobham PLC Anrechte	GB00BDH3DQ90	Units	80,213	80,213	
Essentra PLC Registered Shares LS -.25	GB00B0744359	Units	709	26,845	
Fingerprint Cards AB Namn-Aktier B SK -.04	SE0008374250	Units	14,093	45,430	
Koninklijke Philips N.V. Aandelen aan toonder EO 0.20	NL0000009538	Units	2,532	95,881	
Nets A/S Ihændehaber-Aktier DK1	DK0060745370	Units	10,321	22,233	
Paysafe Group PLC Registered Shares LS 0.01	GB0034264548	Units	26,410	74,633	
PostNL N.V. Aandelen aan toonder EO 0.08	NL0009739416	Units	23,899	65,505	
Qinetiq Group PLC Registered Shares LS -.01	GB00B0WMD03	Units	29,602	86,519	
Ultra Electronics Hldgs PLC Registered Shares LS -.05	GB0009123323	Units	189	7,152	
Worldpay Group Plc Registered Shares LS 1	GB00BYYK2V80	Units	179,861	355,595	
WS Atkins PLC Registered Shares LS -.005	GB0000608009	Units	4,597	14,930	
Unlisted securities					
Shares					
Cobham PLC Reg.Shares Em. 4/17 LS -.025	GB00BDH3GF90	Units	80,213	80,213	
Rolls Royce Holdings PLC Reg.Entitl.Shs.C 01/18 LS-.001	GB00BDFB6Q69	Units	12,693,930	12,693,930	
Rolls Royce Holdings PLC Reg.Entitl.Shs.C 04/17 LS-.001	GB00BYXYLJ27	Units	14,676,694	14,676,694	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	security(ies):	6,035
STXE 600 Industrial G&S Index (Price) (EUR)		

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security

Volume
in 1,000

Unlimited

EUR

11,057

Underlyings:

AA PLC Registered Shares LS -.001 (GB00BMSKPJ95), Aggreko PLC Registered Shares PD, 04832911 (GB00BK1PTB77), Andritz AG Inhaber-Aktien o.N. (AT0000730007), Bolloré S.A. Actions Port. EO 0.16 (FR0000039299), Cobham PLC Registered Shares LS -.025 (GB00B07KD360), DS Smith PLC Registered Shares LS -.10 (GB0008220112), Deutsche Post AG Namens-Aktien o.N. (DE000552004), Fingerprint Cards AB Namn-Aktier B SK -.04 (SE0008374250), G4S PLC Registered Shares LS -.25 (GB00B01FLG62), Halma PLC Registered Shares LS -.10 (GB0004052071), Howden Joinery Group PLC Registered Shares LS -.10 (GB0005576813), IMI PLC Registered Shares LS -.2857 (GB00BGLP8L22), IWG PLC Registered Shares LS -.01 (JE00BYVQYS01), Koninklijke Vopak N.V. Aandelen aan toonder EO -.50 (NL0009432491), Meggitt PLC Registered Shares LS -.05 (GB0005758098), Philips Lighting N.V. Registered Shares EO -.01 (NL0011821392), Sartorius AG Vorzugsaktien o.St. o.N. (DE0007165631), Travis Perkins PLC Registered Shares LS -.10 (GB0007739609), Wirecard AG Inhaber-Aktien o.N. (DE0007472060)

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	592,545.97
2. Dividends from foreign issuers (before withholding tax)	EUR	2,608,406.23
3. Interest from domestic liquidity investments	EUR	1,009.16
4. Income from securities lending and securities repurchase agreements	EUR	21,606.01
5. Deduction of foreign withholding tax	EUR	-292,089.85
6. Other income	EUR	195,549.76
Total income	EUR	3,127,027.28
II. Expenses		
1. Interest from borrowings	EUR	-154.38
2. Management fee	EUR	-700,438.18
3. Other expenses	EUR	-104,861.19
Total expenses	EUR	-805,453.75
III. Ordinary net income	EUR	2,321,573.53
IV. Disposals		
1. Realised gains	EUR	6,397,807.22
2. Realised losses	EUR	-1,137,787.92
Gain/loss on disposals	EUR	5,260,019.30
V. Annual realised results	EUR	7,581,592.83
1. Net change in unrealised gains	EUR	6,414,853.01
2. Net change in unrealised losses	EUR	-1,973,028.83
VI. Annual unrealised results	EUR	4,441,824.18
VII. Result for the financial year	EUR	12,023,417.01

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR 90,111,124.09
1. Distribution for the previous year	EUR	-444,906.00
2. Interim distributions	EUR	-2,200,116.80
3. Inflow/outflow of funds (net)	EUR	58,017,195.00
a) Inflow of funds from sale of equities	EUR	79,753,075.00
b) Outflow of funds from redemption of equities	EUR	-21,735,880.00
4. Income adjustment/cost compensation	EUR	-1,301,323.66
5. Result for the financial year	EUR	12,023,417.01
of which unrealised gains	EUR	6,414,853.01
of which unrealised losses	EUR	-1,973,028.83
II. Value of sub-fund assets at end of financial year	EUR	156,205,389.64

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	30,018,467.58	10.18
1. Carryforward from the previous year ³¹⁾	EUR	21,299,086.83	7.22
2. Realised net income for the financial year	EUR	7,581,592.83	2.57
3. Transfer from sub-fund assets ³²⁾	EUR	1,137,787.92	0.39
II. Not used for distribution	EUR	-27,352,292.08	-9.27
1. Reinvested	EUR	-3,921,483.63	-1.33
2. Carryforward to new account	EUR	-23,430,808.45	-7.94
III. Total pay-out	EUR	2,666,175.50	0.91
1. Interim distribution	EUR	2,200,116.80	0.75
2. Final year-end distribution	EUR	466,058.70	0.16

³¹⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

³²⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	156,205,389.64	52.95
2016/2017	EUR	90,111,124.09	48.71
2015/2016	EUR	51,060,452.90	40.85
2014/2015	EUR	45,067,940.12	47.44

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	1,347,292.50
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Counterparty to derivatives transactions:

CREDIT SUISSE SECURITIES (EUROPE) LIMITED

		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	52.95
Shares in circulation	Units	2,950,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0048% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	8,102.27
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0243% p.a. is due to the depository based on the average net asset value, and 0.0368% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 195,549.76 is broken down as follows:

a) Compensation payments:	EUR	39,868.46
b) Income from withholding tax refunds/claims:	EUR	140,033.73
c) Other income:	EUR	15,647.57

Other expenses amounting to EUR 104,861.19 are broken down as follows:

a) Bank custody fees:	EUR	18,816.39
b) Other expenditure:	EUR	7,869.82
c) Corporation tax on German dividends	EUR	78,174.98

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 21,971.83.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.72 percentage points
Annual tracking difference level	-0.08 percentage points

The STOXX® Europe 600 Industrial Goods & Services Index (Net Total Return Index) posted a performance of 11.11% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) recorded a performance of 11.03% during the same period.

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 21,606.01
Income share as % of gross income	62.50
Absolute cost share	EUR 8,102.27

Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³³⁾
Securities								285,554,794.65	99.60
Exchange-traded securities								285,554,794.65	99.60
Shares								285,554,794.65	99.60
Admiral Group PLC Registered Shares LS -.001	GB00B02J6398		Units	128,133	79,085	23,298	GBP 18.430	2,667,799.02	0.93
AEGON N.V. Aandelen op naam(demat.)EO 0.12	NL0000303709		Units	1,008,588	615,726	185,446	EUR 5.732	5,781,226.42	2.02
AGEAS SA/NV Actions Nominatives o.N.	BE0974264930		Units	111,635	68,452	23,097	EUR 43.150	4,817,050.25	1.68
Allianz SE vink.Namens-Aktien o.N.	DE0008404005		Units	250,818	154,815	51,496	EUR 192.020	48,162,072.36	16.80
ASR Nederland N.V. Aandelen op naam EO -.16	NL0011872643		Units	66,039	70,086	4,047	EUR 36.940	2,439,480.66	0.85
Assicurazioni Generali S.p.A. Azioni nom. EO 1	IT0000062072		Units	763,605	466,325	140,525	EUR 15.440	11,790,061.20	4.11
Aviva PLC Registered Shares LS -.25	GB0002162385		Units	2,255,266	1,385,570	440,104	GBP 5.056	12,881,653.60	4.49
AXA S.A. Actions Port. EO 2.29	FR0000120628		Units	1,171,517	716,313	216,361	EUR 25.860	30,295,429.62	10.57
Beazley PLC Registered Shares LS -.05	GB00BYQ0JC66		Units	295,574	180,985	54,328	GBP 5.200	1,736,346.32	0.61
Baloise Holding AG Namens-Aktien SF 0.10	CH0012410517		Units	27,424	17,016	5,725	CHF 149.200	3,549,845.35	1.24
CNP Assurances S.A. Actions Port. EO 1	FR0000120222		Units	88,682	55,924	15,460	EUR 20.000	1,773,640.00	0.62
Direct Line Insurance Grp PLC Reg.Shares LS-.109090909	GB00BY9D0Y18		Units	773,081	471,739	142,339	GBP 3.828	3,343,210.39	1.17
Gjensidige Forsikring ASA Navne-Aksjer NK 2	NO0010582521		Units	106,144	64,746	19,540	NOK 144.600	1,595,552.10	0.56
Hannover Rück SE Namens-Aktien o.N.	DE0008402215		Units	33,762	20,603	6,210	EUR 111.900	3,777,967.80	1.32
Helvetia Holding AG Namens-Aktien SF 0.1	CH0012271687		Units	3,690	2,351	644	CHF 569.000	1,821,580.81	0.64
Hiscox Ltd. Registered Shares LS -.065	BMG4593F1389		Units	165,315	100,785	30,067	GBP 13.910	2,597,802.74	0.91
Legal & General Group PLC Registered Shares LS -.025GB0005603997			Units	3,349,945	2,044,059	615,298	GBP 2.626	9,938,004.22	3.47
Mapfre S.A. Acciones Nom. EO -.10	ES0124244E34		Units	558,743	340,749	102,847	EUR 2.770	1,547,718.11	0.54
Münchener Rückvers.-Ges. AG vink.Namens-Aktien o.N.	DE0008430026		Units	87,161	53,321	18,141	EUR 184.100	16,046,340.10	5.60
NN Group N.V. Aandelen aan toonder EO -.12	NL0010773842		Units	191,586	121,231	37,724	EUR 36.760	7,042,701.36	2.46
Old Mutual PLC Reg.Shares LS-.114285714	GB00B77J0862		Units	2,472,092	1,509,940	454,278	GBP 2.553	7,129,880.03	2.49
Phoenix Group Holdings Registered Shares EO-.0001	KYG7091M1096		Units	221,090	134,818	40,518	GBP 7.855	1,961,923.49	0.68
Poste Italiane S.p.A. Azioni nom. EO 0.51	IT0003796171		Units	259,225	158,135	47,720	EUR 7.062	1,830,646.95	0.64
Prudential PLC Registered Shares LS -.05	GB0007099541		Units	1,453,900	888,895	267,424	GBP 18.305	30,065,681.20	10.49
RSA Insurance Group PLC Registered Shares LS 1	GB00BKKMKR23		Units	575,025	350,477	104,428	GBP 6.314	4,101,645.13	1.43
Sampo OYJ Registered Shares Cl.A o.N.	FI0009003305		Units	276,699	168,800	50,938	EUR 46.640	12,905,241.36	4.50
SCOR SE Act.au Porteur EO 7.8769723	FR0010411983		Units	98,855	60,174	18,512	EUR 34.990	3,458,936.45	1.21
St. James's Place PLC Registered Shares LS -.15	GB0007669376		Units	297,469	181,787	54,551	GBP 11.545	3,879,738.28	1.35
Storebrand ASA Navne-Aksjer NK 5	NO0003053605		Units	252,960	154,313	46,562	NOK 69.400	1,824,981.94	0.64
Swiss Life Holding AG Namens-Aktien SF 5.10	CH0014852781		Units	18,300	11,302	3,356	CHF 343.000	5,445,716.39	1.90
Swiss Re AG Namens-Aktien SF -.10	CH0126881561		Units	180,446	110,346	36,912	CHF 96.500	15,107,214.04	5.27
Tryg AS Navne-Aktier DK 5	DK0060636678		Units	61,783	38,238	12,929	DKK 145.200	1,204,838.29	0.42
Zurich Insurance Group AG Nam.-Aktien SF 0.10	CH0011075394		Units	85,091	52,128	15,623	CHF 312.000	23,032,868.67	8.03
Derivatives								23,370.00	0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								23,370.00	0.01
Receivables/liabilities									
Equity index futures contracts								23,370.00	0.01
STOXX 600 INSU MAR18		EURX	Number	82			EUR	23,370.00	0.01

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³³⁾
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								779,738.31	0.27
Bank accounts								779,738.31	0.27
EUR balances								779,665.67	0.27
Depository: State Street Bank International GmbH			EUR	779,665.67		%	100.000	779,665.67	0.27
Balances in other EU/EEA currencies								72.64	0.00
Depository: State Street Bank International GmbH			NOK	698.74		%	100.000	72.64	0.00
Other assets								485,834.54	0.17
Withholding tax reimbursement claims			CHF	304,158.84				263,882.30	0.09
			EUR	92,952.24				92,952.24	0.03
Initial margin			EUR	129,000.00				129,000.00	0.04
Liabilities arising from loans								-3,942.48	-0.00
Loans in other EU/EEA currencies								-2,513.62	-0.00
			DKK	-2,347.05		%	100.000	-315.22	-0.00
			GBP	-1,945.99		%	100.000	-2,198.40	-0.00
Loans in non-EU/EEA currencies								-1,428.86	-0.00
			CHF	-1,646.95		%	100.000	-1,428.86	-0.00
Other liabilities								-128,394.27	-0.04
Management fee			EUR	-96,633.13				-96,633.13	-0.03
Received variation margin			EUR	-29,110.00				-29,110.00	-0.01
Other liabilities			EUR	-2,651.14				-2,651.14	-0.00
sub-funds							EUR	286,711,400.75	100.00
Share value							EUR	29.26	
Shares in circulation							Units	9,800,000	

33) Rounding of percentages during the calculation may result in slight rounding differences.

**Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE)
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Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Standard Life Aberdeen PLC Registered Shares LS -.1222222	GB00BVFD7Q58	Units	384,915	1,022,550	
Topdanmark AS Navne-Aktier DK 1	DK0060477503	Units	-	15,868	
UnipolSai Assicurazioni S.p.A. Azioni nom. o.N.	IT0004827447	Units	207,269	535,964	
Unlisted securities					
Shares					
Delta Lloyd N.V. Aandelen op naam EO -.20	NL0009294552	Units	11,805	145,441	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	STXE 600 Insurance Index (Price) (EUR)	security(ies):	10,802
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Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 2,920

Underlyings:

Beazley PLC Registered Shares LS -.05 (GB00BYQ0JC66), Hiscox Ltd. Registered Shares LS -.065 (BMG4593F1389), UnipolSai Assicurazioni S.p.A. Azioni nom. o.N. (IT0004827447)

Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	1,874,253.48
2. Dividends from foreign issuers (before withholding tax)	EUR	6,642,290.22
3. Income from securities lending and securities repurchase agreements	EUR	1,425.29
4. Deduction of foreign withholding tax	EUR	-700,034.15
5. Other income	EUR	251,181.04
Total income	EUR	8,069,115.88
II. Expenses		
1. Interest from borrowings	EUR	-414.29
2. Management fee	EUR	-1,258,615.12
3. Other expenses	EUR	-47,940.86
Total expenses	EUR	-1,306,970.27
III. Ordinary net income	EUR	6,762,145.61
IV. Disposals		
1. Realised gains	EUR	5,752,477.88
2. Realised losses	EUR	-840,479.71
Gain/loss on disposals	EUR	4,911,998.17
V. Annual realised results	EUR	11,674,143.78
1. Net change in unrealised gains	EUR	12,313,298.75
2. Net change in unrealised losses	EUR	109,880.62
VI. Annual unrealised results	EUR	12,423,179.37
VII. Result for the financial year	EUR	24,097,323.15

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	154,736,981.49
1. Distribution for the previous year	EUR	-23,989.40
2. Interim distributions	EUR	-7,549,611.50
3. Inflow/outflow of funds (net)	EUR	116,985,670.00
a) Inflow of funds from sale of equities	EUR	166,484,935.00
b) Outflow of funds from redemption of equities	EUR	-49,499,265.00
4. Income adjustment/cost compensation	EUR	-1,534,972.99
5. Result for the financial year	EUR	24,097,323.15
of which unrealised gains	EUR	12,313,298.75
of which unrealised losses	EUR	109,880.62
II. Value of sub-fund assets at end of financial year	EUR	286,711,400.75

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	51,532,539.68	5.26
1. Carryforward from the previous year ³⁴⁾	EUR	39,017,916.19	3.98
2. Realised net income for the financial year	EUR	11,674,143.78	1.19
3. Transfer from sub-fund assets ³⁵⁾	EUR	840,479.71	0.09
II. Not used for distribution	EUR	-43,982,928.18	-4.49
1. Reinvested	EUR	-976,218.07	-0.10
2. Carryforward to new account	EUR	-43,006,710.11	-4.39
III. Total pay-out	EUR	7,549,611.50	0.77
1. Interim distribution	EUR	7,549,611.50	0.77
2. Final year-end distribution	EUR	0.00	0.00

³⁴⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

³⁵⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	286,711,400.75	29.26
2016/2017	EUR	154,736,981.49	26.91
2015/2016	EUR	77,184,742.35	24.50
2014/2015	EUR	78,146,291.44	28.94

**Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	1,203,309.00
Counterparty to derivatives transactions:		
CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	29.26
Shares in circulation	Units	9,800,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0002% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	534.50
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0125% p.a. is due to the depository based on the average net asset value, and 0.0323% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Insurance UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 251,181.04 is broken down as follows:

a) Compensation payments:	EUR	6,696.91
b) Income from withholding tax refunds/claims:	EUR	244,484.13

Other expenses amounting to EUR 47,940.86 are broken down as follows:

a) Bank custody fees:	EUR	34,973.15
b) Other expenditure:	EUR	12,967.71

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 29,075.63.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.63 percentage points
Annual tracking difference level	0.19 percentage points

The STOXX® Europe 600 Insurance Index (Net Total Return Index) posted a performance of 13.20% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 UCITS ETF (DE) recorded a performance of 13.39% during the same period.

Annual report for iShares STOXX Europe 600 Insurance UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 1,425.29
Income share as % of gross income	62.50
Absolute cost share	EUR 534.50

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Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁶⁾
Securities								10,738,081.01	99.50
Exchange-traded securities								10,738,081.01	99.50
Shares								10,738,081.01	99.50
Auto Trader Group PLC Registered Shares LS 0,01	GB00BVYVFW23		Units	55,822	7,369	8,830 GBP	3.650	230,178.65	2.13
Axel Springer SE vink.Namens-Aktien o.N.	DE0005501357		Units	2,851	888	436 EUR	74.000	210,974.00	1.95
Daily Mail & General Trust PLC Reg. Shares A (Non Vtg)LS-.125	GB0009457366		Units	16,088	2,184	2,241 GBP	6.700	121,770.93	1.13
Eutelsat Communications Actions Port. EO 1	FR0010221234		Units	7,974	1,190	1,560 EUR	19.200	153,100.80	1.42
Informa PLC Registered Shares LS -.001	GB00BMJ6DW54		Units	47,536	7,974	7,258 GBP	6.954	373,442.80	3.46
ITV PLC Registered Shares LS -.10	GB0033986497		Units	232,220	57,180	34,295 GBP	1.600	419,745.82	3.89
JCDecaux S.A. Actions au Porteur o.N.	FR0000077919		Units	4,413	1,269	611 EUR	31.960	141,039.48	1.31
Lagardère S.C.A. Actions Nom. EO 6.10	FR0000130213		Units	6,020	911	885 EUR	24.200	145,684.00	1.35
Moneysupermarket.com Group PLC Registered Shares LS -.02	GB00B1ZBKY84		Units	31,029	4,276	4,851 GBP	2.605	91,315.04	0.85
Pearson PLC Registered Shares LS -.25	GB0006776081		Units	46,703	6,796	7,543 GBP	7.324	386,420.26	3.58
ProSiebenSat.1 Media SE Namens-Aktien o.N.	DE000PSM7770		Units	13,441	2,046	2,052 EUR	32.540	437,370.14	4.05
Publicis Groupe S.A. Actions Port. EO 0.40	FR0000130577		Units	12,324	2,147	1,864 EUR	62.040	764,580.96	7.08
Relx N.V. Aandelen op naam EO 0.07	NL0006144495		Units	58,658	9,820	8,445 EUR	16.850	988,387.30	9.16
Relx PLC Registered Shares LS -.144397	GB00B2B0DG97		Units	61,383	8,657	9,945 GBP	14.930	1,035,320.22	9.59
Rightmove PLC Registered Shares LS 0.01	GB00B2987V85		Units	5,390	700	860 GBP	42.770	260,432.27	2.41
RTL Group S.A. Actions au Porteur o.N.	LU0061462528		Units	2,213	314	325 EUR	72.100	159,557.30	1.48
Schibsted ASA Navne-Aksjer A NK -.50	NO0003028904		Units	4,590	622	639 NOK	209.500	99,964.08	0.93
SES S.A. Bearer FDRs (rep.Shs A) o.N.	LU0088087324		Units	22,121	3,368	3,378 EUR	13.130	290,448.73	2.69
Sky PLC Registered Shares LS -.50	GB0001411924		Units	60,353	9,185	9,215 GBP	13.480	919,084.69	8.52
Telenet Group Holding N.V. Actions Nom. o.N.	BE0003826436		Units	2,939	448	448 EUR	56.450	165,906.55	1.54
UBM PLC Reg. Shares LS -.1125	JE00BD9WR069		Units	22,733	3,464	3,463 GBP	9.220	236,785.14	2.19
Vivendi S.A. Actions Port. EO 5.5	FR0000127771		Units	59,335	9,434	9,017 EUR	21.250	1,260,868.75	11.68
Wolters Kluwer N.V. Aandelen op naam EO -0.12	NL0000395903		Units	16,748	2,219	2,895 EUR	41.680	698,056.64	6.47
WPP PLC Registered Shares LS -.10	JE00B8KF9B49		Units	72,875	10,981	14,984 GBP	13.940	1,147,646.46	10.63
Derivatives								-580.00	-0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-580.00	-0.01
Receivables/liabilities									
Equity index futures contracts								-580.00	-0.01
STOXX 600 MEDI MAR 18		EURX	Number	4		EUR		-580.00	-0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								26,038.27	0.24
Bank accounts								26,038.27	0.24
EUR balances								13,998.95	0.13
Depository: State Street Bank International GmbH			EUR	13,998.95		%	100.000	13,998.95	0.13
Balances in other EU/EEA currencies								12,039.32	0.11
Depository: State Street Bank International GmbH			GBP	10,446.04		%	100.000	11,800.99	0.11
			NOK	2,292.66		%	100.000	238.33	0.00
Other assets								32,387.38	0.30
Withholding tax reimbursement claims			EUR	27,967.38				27,967.38	0.26
Initial margin			EUR	3,640.00				3,640.00	0.03
Paid variation margin			EUR	780.00				780.00	0.01

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁶⁾
Liabilities arising from loans								-0.02	-0.00
Loans in other EU/EEA currencies								-0.02	-0.00
			SEK	-0.25	%	100.000		-0.02	-0.00
Other liabilities								-3,728.14	-0.03
Management fee			EUR	-3,627.26				-3,627.26	-0.03
Other liabilities			EUR	-100.88				-100.88	-0.00
sub-funds							EUR	10,792,198.50	100.00
Share value							EUR	25.70	
Shares in circulation							Units	420,000	

36) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities				
Exchange-traded securities				
Shares				
Mediaset España Comunicacion Acciones Nom. EO -.50	ES0152503035	Units	1,374	11,051
Mediaset S.p.A. Azioni nom. EO 0.52	IT0001063210	Units	2,353	46,872
Technicolor S.A. Actions Port. EO 1	FR0010918292	Units	-	20,679
Unlisted securities				
Shares				
SFR Group S.A. Actions Nom. EO 1	FR0011594233	Units	-	4,340
Derivatives				
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)				
Futures contracts				
Equity index futures contracts				
Purchased contracts:				548
Underlying STXE 600 Media Index (Price) (EUR)			security(ies):	

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 710
Underlyings:	
Publicis Groupe S.A. Actions Port. EO 0.40 (FR0000130577)	

**Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	32,185.70
2. Dividends from foreign issuers (before withholding tax)	EUR	339,476.28
3. Income from securities lending and securities repurchase agreements	EUR	146.77
4. Deduction of foreign withholding tax	EUR	-13,594.68
5. Other income	EUR	959.90
Total income	EUR	359,173.97
II. Expenses		
1. Interest from borrowings	EUR	-1.94
2. Management fee	EUR	-49,446.75
3. Other expenses	EUR	-3,420.91
Total expenses	EUR	-52,869.60
III. Ordinary net income	EUR	306,304.37
IV. Disposals		
1. Realised gains	EUR	174,634.62
2. Realised losses	EUR	-327,611.51
Gain/loss on disposals	EUR	-152,976.89
V. Annual realised results	EUR	153,327.48
1. Net change in unrealised gains	EUR	-120,963.38
2. Net change in unrealised losses	EUR	-100,002.07
VI. Annual unrealised results	EUR	-220,965.45
VII. Result for the financial year	EUR	-67,637.97

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR 11,535,025.89
1. Distribution for the previous year	EUR	-4,100.88
2. Interim distributions	EUR	-747,773.54
3. Inflow/outflow of funds (net)	EUR	96,580.00
a) Inflow of funds from sale of equities	EUR	1,102,156.00
b) Outflow of funds from redemption of equities	EUR	-1,005,576.00
4. Income adjustment/cost compensation	EUR	-19,895.00
5. Result for the financial year	EUR	-67,637.97
of which unrealised gains	EUR	-120,963.38
of which unrealised losses	EUR	-100,002.07
II. Value of sub-fund assets at end of financial year	EUR	10,792,198.50

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	2,211,192.87	5.26
1. Carryforward from the previous year ³⁷⁾	EUR	1,730,253.88	4.12
2. Realised net income for the financial year	EUR	153,327.48	0.36
3. Transfer from sub-fund assets ³⁸⁾	EUR	327,611.51	0.78
II. Not used for distribution	EUR	-1,463,419.33	-3.48
1. Reinvested	EUR	0.00	0.00
2. Carryforward to new account	EUR	-1,463,419.33	-3.48
III. Total pay-out	EUR	747,773.54	1.78
1. Interim distribution	EUR	747,773.54	1.78
2. Final year-end distribution	EUR	0.00	0.00

³⁷⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

³⁸⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	10,792,198.50	25.70
2016/2017	EUR	11,535,025.89	27.46
2015/2016	EUR	24,378,612.45	29.02
2014/2015	EUR	35,214,211.88	31.44

**Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	54,970.00
Counterparty to derivatives transactions:		
CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	25.70
Shares in circulation	Units	420,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0005% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	55.04
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0870% p.a. is due to the depository based on the average net asset value, and 0.0542% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Media UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 959.90 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	959.90
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Other expenses amounting to EUR 3,420.91 are broken down as follows:

a) Bank custody fees:	EUR	1,360.84
b) Other expenditure:	EUR	2,060.07

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 2,112.91.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	1.02 percentage points
Annual tracking difference level	-0.24 percentage points

The STOXX® Europe 600 Media Index (Net Total Return Index) posted a performance of -0.01% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Media UCITS ETF (DE) recorded a performance of -0.25% during the same period.

Annual report for iShares STOXX Europe 600 Media UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading “Link between pay and performance”) may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the “Partner Plan” and the “Targeted Equity Award Plan” will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual’s role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the “BlackRock Performance Incentive Plan” (“BPIP”). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock’s achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock’s financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have “skin in the game” through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock’s interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock’s remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals’ services attributable to the Manager’s UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.’s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 146.77
Income share as % of gross income	62.50
Absolute cost share	EUR 55.04

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Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ³⁹⁾
Securities								856,178,726.02	99.24
Exchange-traded securities								856,178,726.02	99.24
Shares								856,178,726.02	99.24
BP PLC Registered Shares DL -.25	GB0007980591		Units	23,187,086	13,143,705	4,373,723	GBP 4.752	124,463,980.11	14.43
ENI S.p.A. Azioni nom. o.N.	IT0003132476		Units	6,231,143	3,019,386	902,045	EUR 13.714	85,453,895.10	9.91
Galp Energia SGPS S.A. Acções Nominativas EO 1	PTGAL0AM0009		Units	1,203,768	530,262	1,082	EUR 14.870	17,900,030.16	2.07
John Wood Group PLC Registered Shares LS-.04285714	GB00B5N0P849		Units	1,662,322	1,174,369	133,976	GBP 6.130	11,511,777.99	1.33
Lundin Petroleum AB Namn-Aktier SK -.01	SE0000825820		Units	453,288	216,237	82,252	SEK 195.350	8,762,610.56	1.02
Neste Oyj Registered Shs o.N.	FI0009013296		Units	313,847	149,837	44,830	EUR 60.240	18,906,143.28	2.19
OMV AG Inhaber-Aktien o.N.	AT0000743059		Units	350,011	167,046	49,944	EUR 47.100	16,485,518.10	1.91
Repsol S.A. Acciones Port. EO 1	ES0173516115		Units	3,070,703	1,521,261	402,909	EUR 14.705	45,154,687.62	5.23
Royal Dutch Shell Reg. Shares Class A EO -.07	GB00B03MLX29		Units	9,633,640	7,016,793	678,852	EUR 26.210	252,497,704.40	29.27
Saipem S.p.A. Azioni nom. o.N.	IT0005252140		Units	1,411,279	1,431,786	20,507	EUR 3.370	4,756,010.23	0.55
SBM Offshore N.V. Aandelen op naam EO -.25	NL0000360618		Units	428,762	207,101	74,476	EUR 13.980	5,994,092.76	0.69
Siemens Gamesa Renew. En. S.A. Acciones Port. EO -.17	ES0143416115		Units	550,190	262,614	78,505	EUR 13.085	7,199,236.15	0.83
Statoil ASA Navne-Aksjer NK 2.50	NO0010096985		Units	2,675,820	1,304,605	382,765	NOK 182.250	50,695,764.86	5.88
Subsea 7 S.A. Registered Shares DL 2	LU0075646355		Units	631,970	299,228	87,789	NOK 120.050	7,886,891.64	0.91
TechnipFMC PLC Registered Shares DL 1	GB00BDSFG982		Units	1,146,051	590,907	212,628	EUR 23.980	27,482,302.98	3.19
TGS Nopce Geophysical Co. ASA Navne-Aksjer NK 0.25	NO0003078800		Units	251,052	275,567	24,515	NOK 193.900	5,060,445.38	0.59
Total S.A. Actions au Porteur EO 2.50	FR0000120271		Units	2,714,402	2,331,140	3,162,473	EUR 46.970	127,495,461.94	14.78
Tullow Oil PLC Registered Shares LS -.10	GB0001500809		Units	3,398,523	2,333,977	424,640	GBP 1.818	6,979,926.84	0.81
Vestas Wind Systems AS Navne-Aktier DK 1	DK0010268606		Units	528,590	252,509	85,532	DKK 443.600	31,492,245.92	3.65
Derivatives								116,281.11	0.01
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								116,281.11	0.01
Receivables/liabilities									
Equity index futures contracts								116,281.11	0.01
STOXX 600 OIL MAR18		EURX	Number	436			EUR	116,281.11	0.01
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								507,833.18	0.06
Bank accounts								507,833.18	0.06
EUR balances								507,807.94	0.06
Depository: State Street Bank International GmbH			EUR	507,807.94			% 100.000	507,807.94	0.06
Balances in other EU/EEA currencies								25.24	0.00
Depository: State Street Bank International GmbH			GBP	22.34			% 100.000	25.24	0.00
Other assets								6,393,949.50	0.74
Dividend claims			NOK	394,151.64				40,974.21	0.00
			USD	6,756,295.77				5,539,534.20	0.64
Withholding tax reimbursement claims			EUR	335,641.09				335,641.09	0.04
Initial margin			EUR	477,800.00				477,800.00	0.06
Liabilities arising from loans								-527.80	-0.00
Loans in other EU/EEA currencies								-527.80	-0.00
			DKK	-2,537.19			% 100.000	-340.76	-0.00
			NOK	-1,272.68			% 100.000	-132.30	-0.00
			SEK	-553.15			% 100.000	-54.74	-0.00

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of the sub- fund assets ³⁹⁾
Other liabilities								-466,903.87	-0.05
Management fee			EUR	-294,423.62				-294,423.62	-0.03
Received variation margin			EUR	-164,241.11				-164,241.11	-0.02
Other liabilities			EUR	-8,239.14				-8,239.14	-0.00
sub-funds							EUR	862,729,358.14	100.00
Share value							EUR	30.76	
Shares in circulation							Units	28,050,000	

39) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
International Petroleum Corp. Registered Shares o.N.	CA46016U1084	Units	114,924	114,924	
Petrofac Ltd. Registered Shares DL -.02	GB00B0H2K534	Units	163,023	592,187	
Repsol S.A. Anrechte	ES06735169B1	Units	2,837,586	2,837,586	
Repsol S.A. Anrechte	ES06735169A3	Units	2,022,347	2,022,347	
Saipem S.p.A. Azioni nom. o.N.	IT0000068525	Units	1,975,188	11,366,184	
Tullow Oil PLC Anrechte	GB00BF0BYM74	Units	854,121	854,121	
Tullow Oil PLC Reg. Shares New LS 0.10	GB00BF0BYN81	Units	854,121	854,121	
Unlisted securities					
Shares					
Amec Foster Wheeler PLC Registered Shares LS -.50	GB0000282623	Units	244,274	885,965	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	security(ies):	60,406
STXE 600 Oil & Gas Index (Price) (EUR)		

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Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 72,133

Underlyings:

BP PLC Registered Shares DL -.25 (GB0007980591), John Wood Group PLC Registered Shares LS -.04285714 (GB00B5N0P849), Petrofac Ltd. Registered Shares DL -.02 (GB00B0H2K534), Saipem S.p.A. Azioni nom. o.N. (IT0005252140), Tullow Oil PLC Anrechte (GB00BF0BYM74), Tullow Oil PLC Registered Shares LS -.10 (GB0001500809)

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from foreign issuers (before withholding tax)	EUR	38,558,054.11
2. Income from securities lending and securities repurchase agreements	EUR	49,316.72
3. Deduction of foreign withholding tax	EUR	-2,561,938.36
4. Other income	EUR	1,646,489.09
Total income	EUR	37,691,921.56
II. Expenses		
1. Interest from borrowings	EUR	-562.32
2. Management fee	EUR	-3,885,034.35
3. Other expenses	EUR	-140,242.94
Total expenses	EUR	-4,025,839.61
III. Ordinary net income	EUR	33,666,081.95
IV. Disposals		
1. Realised gains	EUR	25,674,255.49
2. Realised losses	EUR	-5,652,475.49
Gain/loss on disposals	EUR	20,021,780.00
V. Annual realised results	EUR	53,687,861.95
1. Net change in unrealised gains	EUR	-8,495,911.15
2. Net change in unrealised losses	EUR	-8,842,851.92
VI. Annual unrealised results	EUR	-17,338,763.07
VII. Result for the financial year	EUR	36,349,098.88

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Change in sub-fund assets

			2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR	564,826,028.76
1. Distribution for the previous year		EUR	-7,355,316.00
2. Interim distributions		EUR	-25,740,019.45
3. Inflow/outflow of funds (net)		EUR	302,136,610.00
a) Inflow of funds from sale of equities	EUR	381,746,105.00	
b) Outflow of funds from redemption of equities	EUR	-79,609,495.00	
4. Income adjustment/cost compensation		EUR	-7,487,044.05
5. Result for the financial year		EUR	36,349,098.88
of which unrealised gains	EUR	-8,495,911.15	
of which unrealised losses	EUR	-8,842,851.92	
II. Value of sub-fund assets at end of financial year		EUR	862,729,358.14

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	187,096,887.40	6.67
1. Carryforward from the previous year ⁴⁰⁾	EUR	127,756,549.96	4.56
2. Realised net income for the financial year	EUR	53,687,861.95	1.91
3. Transfer from sub-fund assets ⁴¹⁾	EUR	5,652,475.49	0.20
II. Not used for distribution	EUR	-156,579,868.80	-5.58
1. Reinvested	EUR	-27,170,465.08	-0.97
2. Carryforward to new account	EUR	-129,409,403.72	-4.61
III. Total pay-out	EUR	30,517,018.60	1.09
1. Interim distribution	EUR	25,740,019.45	0.92
2. Final year-end distribution	EUR	4,776,999.15	0.17

40) Difference from the previous year because of income adjustment calculated on carryforwards.
41) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	862,729,358.14	30.76
2016/2017	EUR	564,826,028.76	31.03
2015/2016	EUR	567,919,281.00	26.29
2014/2015	EUR	511,463,174.27	32.37

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for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	6,680,828.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	30.76
Shares in circulation	Units	28,050,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0022% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	20,907.15
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0071% p.a. is due to the depository based on the average net asset value, and 0.0355% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 1,646,489.09 is broken down as follows:

a) Compensation payments:	EUR	1,137,470.47
b) Income from withholding tax refunds/claims:	EUR	427,684.00
c) Other income:	EUR	81,334.62

Other expenses amounting to EUR 140,242.94 are broken down as follows:

a) Bank custody fees:	EUR	109,042.71
b) Other expenditure:	EUR	31,200.23

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 179,081.53.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV 0.78 percentage points

Because lower differences in performance were reported for the more recent history, the tracking error produced was lower than expected. The elevated differences are due to the valuation date differences (public holidays) between the index and the fund.

Annual tracking difference level 0.21 percentage points

The STOXX® Europe 600 Oil & Gas Index (Net Total Return Index) posted a performance of 3.74% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) recorded a performance of 3.95% during the same period.

Annual report for iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 49,316.72
Income share as % of gross income	57.61
Absolute cost share	EUR 20,907.15

Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴²⁾
Securities								78,546,823.85	99.37
Exchange-traded securities								78,546,823.85	99.37
Shares								78,546,823.85	99.37
adidas AG Namens-Aktien o.N.	DE000A1EWWW0		Units	21,726	14,378	8,191	EUR 182.600	3,967,167.60	5.02
Amer Sports Corp. Registered Shares Cl.A o.N.	FI0009000285		Units	14,033	8,918	4,380	EUR 24.810	348,158.73	0.44
Barratt Developments PLC Registered Shares LS -.10	GB0000811801		Units	120,191	76,749	37,202	GBP 5.390	731,859.12	0.93
Beiersdorf AG Inhaber-Aktien o.N.	DE0005200000		Units	11,668	7,420	3,629	EUR 90.120	1,051,520.16	1.33
Bellway PLC Registered Shares LS -.125	GB0000904986		Units	14,579	9,286	4,536	GBP 31.160	513,206.28	0.65
Berkeley Group Holdings PLC Reg.Ordinary Shares LS-.05	GB00B02L3W35		Units	16,640	10,589	5,178	GBP 38.540	724,489.02	0.92
British American Tobacco PLC Registered Shares LS -.25	GB0002875804		Units	272,309	224,411	101,322	GBP 42.955	13,214,249.34	16.72
Burberry Group PLC Registered Shares LS-.0005	GB0031743007		Units	47,657	32,688	20,735	GBP 15.335	825,614.40	1.04
Christian Dior SE Actions Port. EO 2	FR0000130403		Units	1,065	3,136	6,022	EUR 305.900	325,783.50	0.41
Cie Financière Richemont AG Namens-Aktien SF 1	CH0210483332		Units	61,973	39,478	19,283	CHF 83.260	4,476,604.60	5.66
Electrolux, AB Namn-Aktier B o.N.	SE0000103814		Units	28,049	17,757	8,805	SEK 273.500	759,137.75	0.96
Essity AB Namn-Aktier B	SE0009922164		Units	75,744	110,390	34,646	SEK 228.000	1,708,948.42	2.16
Henkel AG & Co. KGaA Inhaber-Vorzugsaktien o.St.o.N	DE0006048432		Units	21,152	13,474	6,581	EUR 109.300	2,311,913.60	2.92
Hermes International S.C.A. Actions au Porteur o.N.	FR0000052292		Units	3,455	3,150	1,503	EUR 442.100	1,527,455.50	1.93
HUGO BOSS AG Namens-Aktien o.N.	DE000A1PHFF7		Units	7,511	4,784	2,341	EUR 73.360	551,006.96	0.70
Husqvarna AB Namn-Aktier B SK 100	SE0001662230		Units	49,088	31,301	15,268	SEK 88.740	431,062.89	0.55
Imperial Brands PLC Registered Shares LS -.10	GB0004544929		Units	113,383	72,196	35,545	GBP 26.190	3,354,673.21	4.24
Luxtotta Group S.p.A. Azioni nom. EO 0.06	IT0001479374		Units	21,621	13,650	6,806	EUR 49.360	1,067,212.56	1.35
LVMH Moët Henn. L. Vuitton SE Actions Port. (C.R.) EO 0.3	FR0000121014		Units	32,058	20,453	10,121	EUR 246.500	7,902,297.00	10.00
Moncler S.p.A. Azioni nom. o.N.	IT0004965148		Units	20,678	13,877	5,988	EUR 28.700	593,458.60	0.75
Ontex Group N.V. Actions Nom. EO -.01	BE0974276082		Units	8,287	5,777	2,586	EUR 23.780	197,064.86	0.25
Oréal S.A., L' Actions Port. EO 0.2	FR0000120321		Units	29,028	18,533	9,048	EUR 177.050	5,139,407.40	6.50
OSRAM Licht AG Namens-Aktien o.N.	DE000LED4000		Units	11,426	8,064	3,166	EUR 65.280	745,889.28	0.94
Pandora A/S Navne-Aktier DK 1	DK0060252690		Units	13,357	8,700	4,712	DKK 640.000	1,148,106.18	1.45
Persimmon PLC Registered Shares LS -.10	GB0006825383		Units	36,641	23,343	11,401	GBP 26.010	1,076,649.76	1.36
Reckitt Benckiser Group Registered Shares LS -.10	GB00B24CGK77		Units	82,442	53,521	24,808	GBP 57.760	5,379,507.06	6.81
SEB S.A. Actions Port. EO 1	FR0000121709		Units	2,914	1,860	908	EUR 167.900	489,260.60	0.62
Société Bic S.A. Actions Port. EO 3.82	FR0000120966		Units	3,195	2,037	1,035	EUR 86.150	275,249.25	0.35
Steinhoff Internatnl Hldgs N.V. Aandelen op naam EO -.50	NL0011375019		Units	287,852	191,094	99,597	EUR 0.404	116,349.78	0.15
Swatch Group AG, The Inhaber-Aktien SF 2.25	CH0012255151		Units	3,661	2,331	1,141	CHF 399.800	1,269,849.72	1.61
Swedish Match AB Namn-Aktier o.N.	SE0000310336		Units	21,584	13,632	7,155	SEK 353.600	755,248.83	0.96
Taylor Wimpey PLC Registered Shares LS -.01	GB0008782301		Units	388,460	247,727	120,842	GBP 1.860	816,255.33	1.03
Ubisoft Entertainment S.A. Actions Port. EO 0.0775	FR0000054470		Units	7,933	5,307	3,200	EUR 68.000	539,444.00	0.68
Unilever N.V. Cert.v.Aand. EO -.16	NL0000009355		Units	186,762	118,968	58,109	EUR 42.975	8,026,096.95	10.15
Unilever PLC Registered Shares LS -.031111	GB00B10RZP78		Units	146,680	98,668	56,847	GBP 37.335	6,186,625.61	7.83
Derivatives								-26,325.00	-0.03
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-26,325.00	-0.03
Receivables/liabilities									
Equity index futures contracts								-26,325.00	-0.03
STOXX 600 P HG MAR 18		EURX	Number	12			EUR	-26,325.00	-0.03

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴²⁾
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								209,489.79	0.27
Bank accounts								209,489.79	0.27
EUR balances								209,475.50	0.27
Depository: State Street Bank International GmbH			EUR	209,475.50		%	100.000	209,475.50	0.27
Balances in other EU/EEA currencies								14.29	0.00
Depository: State Street Bank International GmbH			DKK	32.31		%	100.000	4.34	0.00
			GBP	0.29		%	100.000	0.33	0.00
			SEK	97.23		%	100.000	9.62	0.00
Other assets								341,763.45	0.43
Dividend claims			EUR	56,911.05				56,911.05	0.07
			GBP	113,751.76				128,506.44	0.16
Withholding tax reimbursement claims			CHF	74,596.23				64,718.24	0.08
			EUR	39,429.85				39,429.85	0.05
			ZAR	4,648.11				322.87	0.00
Initial margin			EUR	29,870.00				29,870.00	0.04
Paid variation margin			EUR	22,005.00				22,005.00	0.03
Liabilities arising from loans								-145.30	-0.00
Loans in non-EU/EEA currencies								-145.30	-0.00
			CHF	-167.48		%	100.000	-145.30	-0.00
Other liabilities								-28,548.72	-0.04
Management fee			EUR	-27,812.81				-27,812.81	-0.04
Other liabilities			EUR	-735.91				-735.91	-0.00
sub-funds							EUR	79,043,058.07	100.00
Share value							EUR	75.28	
Shares in circulation							Units	1,050,000	

42) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities				
Exchange-traded securities				
Shares				
Svenska Cellulosa AB Namn-Aktier B (fria) SK 10	SE0000112724	Units	128,341	179,605
Derivatives				
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)				
Futures contracts				
Equity index futures contracts				
Purchased contracts:				
Underlying				4,549
STXE 600 Pers. & Househ.Goods Index (Price) (EUR)			security(ies):	

**Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 1,352
Underlyings:	
Swatch Group AG, The Inhaber-Aktien SF 2.25 (CH0012255151)	

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	137,600.36
2. Dividends from foreign issuers (before withholding tax)	EUR	5,057,381.78
3. Income from securities lending and securities repurchase agreements	EUR	222.96
4. Deduction of foreign withholding tax	EUR	-114,400.09
5. Other income	EUR	15,911.28
Total income	EUR	5,096,716.29
II. Expenses		
1. Interest from borrowings	EUR	-93.60
2. Management fee	EUR	-396,090.75
3. Other expenses	EUR	-15,648.18
Total expenses	EUR	-411,832.53
III. Ordinary net income	EUR	4,684,883.76
IV. Disposals		
1. Realised gains	EUR	3,124,878.90
2. Realised losses	EUR	-2,171,324.13
Gain/loss on disposals	EUR	953,554.77
V. Annual realised results	EUR	5,638,438.53
1. Net change in unrealised gains	EUR	-4,189,619.89
2. Net change in unrealised losses	EUR	-5,672,419.27
VI. Annual unrealised results	EUR	-9,862,039.16
VII. Result for the financial year	EUR	-4,223,600.63

**Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)
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Change in sub-fund assets

			2017/2018
I. Value of sub-fund assets at beginning of the financial year			EUR 55,451,245.37
1. Distribution for the previous year		EUR	-269,416.40
2. Interim distributions		EUR	-4,489,210.25
3. Inflow/outflow of funds (net)		EUR	32,361,005.00
a) Inflow of funds from sale of equities	EUR	49,058,235.00	
b) Outflow of funds from redemption of equities	EUR	-16,697,230.00	
4. Income adjustment/cost compensation		EUR	213,034.98
5. Result for the financial year		EUR	-4,223,600.63
of which unrealised gains	EUR	-4,189,619.89	
of which unrealised losses	EUR	-5,672,419.27	
II. Value of sub-fund assets at end of financial year			EUR 79,043,058.07

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	20,754,846.63	19.77
1. Carryforward from the previous year ⁴³⁾	EUR	12,945,083.97	12.33
2. Realised net income for the financial year	EUR	5,638,438.53	5.37
3. Transfer from sub-fund assets ⁴⁴⁾	EUR	2,171,324.13	2.07
II. Not used for distribution	EUR	-16,128,726.88	-15.36
1. Reinvested	EUR	-4,272,268.17	-4.07
2. Carryforward to new account	EUR	-11,856,458.71	-11.29
III. Total pay-out	EUR	4,626,119.75	4.41
1. Interim distribution	EUR	4,489,210.25	4.28
2. Final year-end distribution	EUR	136,909.50	0.13

43) Difference from the previous year because of income adjustment calculated on carryforwards.

44) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	79,043,058.07	75.28
2016/2017	EUR	55,451,245.37	82.15
2015/2016	EUR	55,512,210.35	74.02
2014/2015	EUR	41,385,614.04	75.25

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	469,368.00
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Counterparty to derivatives transactions:

CREDIT SUISSE SECURITIES (EUROPE) LIMITED

		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	75.28
Shares in circulation	Units	1,050,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)
South African rand	(ZAR)	14.39645 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0001% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	83.62
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0244% p.a. is due to the depository based on the average net asset value, and 0.0461% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 15,911.28 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	15,911.28
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Other expenses amounting to EUR 15,648.18 are broken down as follows:

a) Bank custody fees:	EUR	11,163.13
b) Other expenditure:	EUR	4,485.05

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 44,686.52.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.60 percentage points
Annual tracking difference level	-0.26 percentage points

The STOXX® Europe 600 Personal & Household Goods Index (Net Total Return Index) posted a performance of -3.25% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) recorded a performance of -3.51% during the same period.

Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 222.96
Income share as % of gross income	62.50
Absolute cost share	EUR 83.62

Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴⁵⁾
Securities								82,300,578.84	99.30
Exchange-traded securities								82,300,578.84	99.30
Shares								82,300,578.84	99.30
Aroundtown SA Inhaber-Aktien EO -.01	LU1673108939		Units	332,912	411,418	78,506	EUR 6.255	2,082,364.56	2.51
British Land Co. PLC, The Registered Shares LS -.25	GB0001367019		Units	567,037	421,897	511,349	GBP 6.280	4,022,886.88	4.85
BUWOG AG Inhaber-Aktien o.N.	AT00BUWOG001		Units	66,000	60,039	50,767	EUR 28.900	1,907,400.00	2.30
Capital & Counties Propert.PLC Registered Shares LS -.25	GB00B62G9D36		Units	365,724	266,378	300,378	GBP 2.660	1,099,010.59	1.33
Castellum AB Namn-Aktier o.N.	SE0000379190		Units	160,628	115,466	127,383	SEK 130.950	2,081,481.85	2.51
Cofinimmo S.A. Actions Porteur o.N.	BE0003593044		Units	12,153	9,724	9,748	EUR 103.400	1,256,620.20	1.52
Derwent London PLC Registered Shares LS -.05	GB0002652740		Units	65,534	47,197	51,914	GBP 28.730	2,127,007.79	2.57
Deutsche Wohnen SE Inhaber-Aktien o.N.	DE000A0HN5C6		Units	194,766	147,394	150,965	EUR 33.950	6,612,305.70	7.98
Fabege AB Namn-Aktier SK 28.50	SE0000950636		Units	82,364	59,177	65,192	SEK 180.000	1,467,086.79	1.77
Fastighets AB Balder Namn-Aktier B SK 1	SE0000455057		Units	57,636	43,390	44,745	SEK 205.600	1,172,634.90	1.41
Foncière des Régions S.A. Actions Port. EO 3	FR0000064578		Units	20,090	16,354	15,220	EUR 85.950	1,726,735.50	2.08
Gecina S.A. Actions Nom. EO 7.50	FR0010040865		Units	28,262	22,716	19,938	EUR 144.100	4,072,554.20	4.91
Great Portland Estates PLC Reg.Shares LS -.131578947	GB00BZ0XJR39		Units	173,621	274,054	100,433	GBP 6.280	1,231,767.31	1.49
Hammerson PLC Registered Shares LS -.25	GB0004065016		Units	466,379	335,956	369,844	GBP 4.470	2,355,121.34	2.84
Icade S.A. Actions au Porteur o.N.	FR0000035081		Units	18,513	14,153	18,137	EUR 79.550	1,472,709.15	1.78
Intu Properties PLC Registered Shares LS -.50	GB0006834344		Units	462,565	345,737	393,591	GBP 2.022	1,056,624.55	1.27
Klépierre S.A. Actions Port. EO 1.40	FR0000121964		Units	122,318	88,011	96,867	EUR 33.930	4,150,249.74	5.01
L E Lundbergföretagen AB Namn-Aktier B (fria) SK 10	SE0000108847		Units	21,696	15,581	17,192	SEK 621.500	1,334,340.53	1.61
Land Securities Group PLC Registered Shares LS 0.106666	GB00BYW0PQ60		Units	413,270	527,384	114,114	GBP 9.270	4,327,931.64	5.22
LEG Immobilien AG Namens-Aktien o.N.	DE000LEG1110		Units	37,152	26,696	29,450	EUR 85.480	3,175,752.96	3.83
Merlin Properties SOCIMI S.A. Acciones Nominativas EO 1	ES0105025003		Units	196,904	141,553	156,159	EUR 11.765	2,316,575.56	2.80
PSP Swiss Property AG Nam.-Aktien SF 0.10	CH0018294154		Units	23,678	17,015	18,770	CHF 89.750	1,843,695.87	2.22
Segro PLC Registered Shares LS -.10	GB00B5ZN1N88		Units	589,672	532,105	463,925	GBP 5.716	3,807,759.45	4.59
Shaftesbury PLC Registered Shares LS -.25	GB0007990962		Units	109,952	79,949	108,821	GBP 9.625	1,195,558.00	1.44
Swiss Prime Site AG Nam.-Aktien SF 15.3	CH0008038389		Units	42,018	28,336	31,203	CHF 88.400	3,222,533.58	3.89
Unibail-Rodamco SE Actions Port. EO 5	FR0000124711		Units	58,707	42,130	46,164	EUR 191.750	11,257,067.25	13.58
Vonovia SE Namens-Aktien o.N.	DE000A1ML7J1		Units	264,309	194,722	202,267	EUR 37.550	9,924,802.95	11.98
Derivatives								-33,030.00	-0.04
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-33,030.00	-0.04
Receivables/liabilities									
Equity index futures contracts								-33,030.00	-0.04
STOXX 600 Real MAR18		EURX	Number	69			EUR	-33,030.00	-0.04
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								328,350.04	0.40
Bank accounts								328,350.04	0.40
EUR balances								322,709.94	0.39
Depository: State Street Bank International GmbH			EUR	322,709.94			% 100.000	322,709.94	0.39
Balances in other EU/EEA currencies								5,640.10	0.01
Depository: State Street Bank International GmbH			GBP	4,992.52			% 100.000	5,640.10	0.01
Other assets								314,002.81	0.38
Withholding tax reimbursement claims			CHF	23,187.57				20,117.08	0.02
			EUR	161,056.65				161,056.65	0.19
			GBP	30,210.49				34,129.08	0.04
Initial margin			EUR	66,360.00				66,360.00	0.08
Paid variation margin			EUR	32,340.00				32,340.00	0.04

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴⁵⁾
Liabilities arising from loans								-3,193.22	-0.00
Loans in other EU/EEA currencies								-3,192.59	-0.00
			SEK	-32,262.41		%	100.000	-3,192.59	-0.00
Loans in non-EU/EEA currencies								-0.63	-0.00
			CHF	-0.73		%	100.000	-0.63	-0.00
Other liabilities								-27,929.49	-0.03
Management fee			EUR	-27,156.44				-27,156.44	-0.03
Other liabilities			EUR	-773.05				-773.05	-0.00
sub-funds							EUR	82,878,778.98	100.00
Share value							EUR	16.91	
Shares in circulation							Units	4,900,000	

45) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Deutsche EuroShop AG Namens-Aktien o.N.	DE0007480204	Units	16,059	44,098	
Gecina S.A. Anrechte	FR0013270014	Units	21,688	21,688	
Great Portland Estates PLC Registered Shares LS -.125	GB00B01FLL16	Units	55,425	251,741	
Immofinanz AG Inhaber-Aktien o.N.	AT0000809058	Units	16,538	554,200	
JM AB Namn-Aktier o.N.	SE0000806994	Units	20,299	63,853	
Land Securities Group PLC Registered Shares LS 0.10	GB0031809436	Units	159,492	634,180	
Segro PLC Anrechte (Nil-paid)	GB00BDZT4M24	Units	107,288	107,288	
Segro PLC Reg.Shares Em.03/2017 LS 0.10	GB00BDZT4N31	Units	107,287	107,287	
Wereldhave N.V. Aandelen aan toonder EO 1	NL0000289213	Units	729	26,164	
Unlisted securities					
Shares					
BUWOG AG Anrechte	AT0000A1W4R3	Units	68,214	68,214	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	security(ies):	5,847
STXE600 Real Estate Index (Price) (EUR)		

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Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 7,138

Underlyings:

Capital & Counties Propert.PLC Registered Shares LS -.25 (GB00B62G9D36), Castellum AB Namn-Aktier o.N. (SE0000379190), Great Portland Estates PLC Reg.Shares LS -.131578947 (GB00BZ0XJR39), Intu Properties PLC Registered Shares LS -.50 (GB0006834344), Land Securities Group PLC Registered Shares LS 0.10 (GB0031809436), Segro PLC Anrechte (Nil-paid) (GB00BDZT4M24)

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	81,200.45
2. Dividends from foreign issuers (before withholding tax) ⁴⁶⁾	EUR	2,351,996.35
3. Income from securities lending and securities repurchase agreements	EUR	12,864.38
4. Deduction of foreign withholding tax	EUR	-292,125.57
5. Other income	EUR	120,285.66
Total income	EUR	2,274,221.27
II. Expenses		
1. Interest from borrowings	EUR	-172.66
2. Management fee	EUR	-391,776.08
3. Other expenses	EUR	-15,460.17
Total expenses	EUR	-407,408.91
III. Ordinary net income	EUR	1,866,812.36
IV. Disposals		
1. Realised gains	EUR	4,559,146.82
2. Realised losses	EUR	-4,250,143.12
Gain/loss on disposals	EUR	309,003.70
V. Annual realised results	EUR	2,175,816.06
1. Net change in unrealised gains	EUR	84,482.22
2. Net change in unrealised losses	EUR	-1,046,521.30
VI. Annual unrealised results	EUR	-962,039.08
VII. Result for the financial year	EUR	1,213,776.98

46) Includes dividends within the meaning of Section 19 Paragraph 1 of the German REIT Act amounting to EUR 1,937,378.93

**Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	89,919,469.01
1. Distribution for the previous year	EUR	-251,766.90
2. Interim distributions	EUR	-2,110,004.15
3. Inflow/outflow of funds (net)	EUR	-6,180,750.00
a) Inflow of funds from sale of equities	EUR 57,685,965.00	
b) Outflow of funds from redemption of equities	EUR -63,866,715.00	
4. Income adjustment/cost compensation	EUR	288,054.04
5. Result for the financial year	EUR	1,213,776.98
of which unrealised gains	EUR 84,482.22	
of which unrealised losses	EUR -1,046,521.30	
II. Value of sub-fund assets at end of financial year	EUR	82,878,778.98

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	19,018,344.98	3.88
1. Carryforward from the previous year ⁴⁷⁾	EUR	12,592,385.80	2.57
2. Realised net income for the financial year	EUR	2,175,816.06	0.44
3. Transfer from sub-fund assets ⁴⁸⁾	EUR	4,250,143.12	0.87
II. Not used for distribution	EUR	-16,908,340.83	-3.45
1. Reinvested	EUR	-4,476,523.98	-0.91
2. Carryforward to new account	EUR	-12,431,816.85	-2.54
III. Total pay-out	EUR	2,110,004.15	0.43
1. Interim distribution	EUR	2,110,004.15	0.43
2. Final year-end distribution	EUR	0.00	0.00

47) Difference from the previous year because of income adjustment calculated on carryforwards.
48) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

**Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	82,878,778.98	16.91
2016/2017	EUR	89,919,469.01	17.13
2015/2016	EUR	96,756,111.30	16.97
2014/2015	EUR	116,663,735.49	19.77

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	578,841.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	16.91
Shares in circulation	Units	4,900,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0057% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	4,988.38
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0292% p.a. is due to the depository based on the average net asset value, and 0.0464% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Real Estate UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 120,285.66 is broken down as follows:

a) Compensation payments:	EUR	62,567.96
b) Income from withholding tax refunds/claims:	EUR	57,717.70

Other expenses amounting to EUR 15,460.17 are broken down as follows:

a) Bank custody fees:	EUR	10,368.86
b) Other expenditure:	EUR	5,091.31

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 15,074.05.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.81 percentage points
Because lower differences in performance were reported for the more recent history, the tracking error produced was lower than expected. The elevated differences are due to the valuation date differences (public holidays) between the index and the fund.	
Annual tracking difference level	-0.09 percentage points

The STOXX® Europe 600 Real Estate Index (Net Total Return Index) posted a performance of 1.76% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Real Estate UCITS ETF (DE) recorded a performance of 1.67% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Real Estate UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 12,864.38
Income share as % of gross income	61.22
Absolute cost share	EUR 4,988.38

Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴⁹⁾
Securities								23,134,591.72	99.45
Exchange-traded securities								23,134,591.72	99.45
Shares								23,134,591.72	99.45
Ahold Delhaize N.V., Konkinkl. Aandelen aan toonder EO 0.01	NL0011794037		Units	131,497	248,169	190,201	EUR 18.502	2,432,957.49	10.46
B & M Europ.Value Retail S.A. Actions Nominatives LS 0.10	LU1072616219		Units	79,586	140,916	100,180	GBP 4.129	371,234.50	1.60
Booker Group PLC Registered Shares LS -.01	GB00B01TND91		Units	181,336	331,182	245,733	GBP 2.271	465,230.25	2.00
Carrefour S.A. Actions Port. EO 2.5	FR0000120172		Units	69,760	125,298	87,523	EUR 18.950	1,321,952.00	5.68
Casino,Guichard-Perrachon S.A. Actions Port. EO 1.53	FR0000125585		Units	5,979	10,928	8,129	EUR 44.620	266,782.98	1.15
Delivery Hero AG Namens-Aktien o.N.	DE000A2E4K43		Units	7,609	7,609	-	EUR 36.000	273,924.00	1.18
Distribuidora Intl de Alim.SA Acciones Port. EO -.10	ES0126775032		Units	67,269	123,091	91,595	EUR 3.924	263,963.56	1.13
Dixons Carphone PLC Registered Shares LS -.001	GB00B4Y7R145		Units	110,583	201,866	149,719	GBP 1.966	245,605.83	1.06
Dufry AG Nam.-Aktien SF 5	CH0023405456		Units	3,143	5,757	4,411	CHF 136.200	371,390.93	1.60
H & M Hennes & Mauritz AB Namn-Aktier B SK 0.125	SE0000106270		Units	96,777	180,021	136,596	SEK 137.420	1,316,036.61	5.66
ICA Gruppen AB Aktier SK 2.50	SE0000652216		Units	8,363	15,335	11,444	SEK 296.500	245,376.33	1.05
Inchcape PLC Registered Shares LS -.10	GB00B61TVQ02		Units	44,849	82,343	61,694	GBP 6.785	343,771.13	1.48
Industria de Diseño Textil SA Acciones Port. EO 0.03	ES0148396007		Units	120,109	222,315	162,515	EUR 24.960	2,997,920.64	12.89
Jerónimo Martins, SGPS, S.A. Acções Nominativas EO 1	PTJMT0AE0001		Units	26,425	48,360	35,991	EUR 17.060	450,810.50	1.94
Just-Eat PLC Registered Shares LS -.01	GB00BKX5CN86		Units	62,097	112,278	82,088	GBP 8.770	615,229.27	2.64
Kering S.A. Actions Port. EO 4	FR0000121485		Units	8,062	14,230	10,194	EUR 388.000	3,128,056.00	13.45
Kesko Oyj Registered Shares Cl. B o.N.	FI0009000202		Units	7,377	13,479	10,029	EUR 47.770	352,399.29	1.51
Kingfisher PLC Reg. Shares LS -.157142857	GB0033195214		Units	234,153	436,742	331,624	GBP 3.579	946,734.50	4.07
Marks & Spencer Group PLC Registered Shares LS -.25	GB00301274896		Units	175,576	321,227	239,028	GBP 2.956	586,322.23	2.52
METRO AG Inhaber-Stammaktien o.N.	DE000BFB0019		Units	18,200	38,866	20,666	EUR 16.045	292,019.00	1.26
Morrison Supermarkets PLC, Wm. Registered Shares LS -.10	GB0006043169		Units	254,518	464,037	343,738	GBP 2.257	648,958.38	2.79
NEXT PLC Registered Shares LS 0.10	GB0032089863		Units	15,791	29,025	21,684	GBP 48.560	866,273.62	3.72
Ocado Group PLC Registered Shares LS -.02	GB00B3MBS747		Units	57,147	104,469	83,484	GBP 5.532	357,143.20	1.54
Saga PLC Registered Shares LS -.01	GB00BLT1Y088		Units	121,069	221,341	164,528	GBP 1.140	155,920.99	0.67
Sainsbury PLC, J. Registered Shs LS -.28571428	GB00B019KW72		Units	184,583	337,642	251,053	GBP 2.590	540,080.18	2.32
Tesco PLC Registered Shares LS -.05	GB0008847096		Units	839,030	1,534,514	1,136,607	GBP 2.108	1,998,089.21	8.59
WH Smith PLC Registered Shares LS-.220895	GB00B2PDGW16		Units	11,921	21,950	16,517	GBP 20.280	273,116.17	1.17
Zalando SE Inhaber-Aktien o.N.	DE000ZAL1111		Units	15,569	26,809	18,269	EUR 46.900	730,186.10	3.14
Établissements Fr. Colruyt SA Actions au Porteur o.N.	BE0974256852		Units	6,251	11,788	9,207	EUR 44.330	277,106.83	1.19
Derivatives								-4,415.00	-0.02
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-4,415.00	-0.02
Receivables/liabilities									
Equity index futures contracts								-4,415.00	-0.02
STOXX 600 RETL MAR 18		EURX	Number	8			EUR	-4,415.00	-0.02
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								92,061.84	0.40
Bank accounts								92,061.84	0.40
EUR balances								89,125.77	0.38
Depository: State Street Bank International GmbH			EUR	89,125.77		%	100.000	89,125.77	0.38
Balances in other EU/EEA currencies								2,936.07	0.01
Depository: State Street Bank International GmbH			GBP	2,598.96		%	100.000	2,936.07	0.01

**Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁴⁹⁾
Other assets								52,167.89	0.22
Withholding tax reimbursement claims			CHF	3,076.54				2,669.15	0.01
			EUR	37,773.74				37,773.74	0.16
Initial margin			EUR	7,430.00				7,430.00	0.03
Paid variation margin			EUR	4,295.00				4,295.00	0.02
Liabilities arising from loans								-5,178.58	-0.02
Loans in other EU/EEA currencies								-5,111.90	-0.02
			SEK	-51,657.85		%	100.000	-5,111.90	-0.02
Loans in non-EU/EEA currencies								-66.68	-0.00
			CHF	-76.86		%	100.000	-66.68	-0.00
Other liabilities								-6,886.72	-0.03
Management fee			EUR	-6,666.98				-6,666.98	-0.03
Other liabilities			EUR	-219.74				-219.74	-0.00
sub-funds							EUR	23,262,341.15	100.00
Share value							EUR	29.08	
Shares in circulation							Units	800,000	

49) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
CECONOMY AG Inhaber-Stammaktien o.N.	DE0007257503	Units	1,335	10,673	
Galenica AG Nam.-Akt. SF 0.10	CH0015536466	Units	68	300	
Vifor Pharma AG Nam.-Akt. SF 0.01	CH0364749348	Units	9,692	9,692	
Derivatives					
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)					
Futures contracts					
Equity index futures contracts					
Purchased contracts:					
Underlying					772
STXE 600 Retail Index (Price) (EUR)				security(ies):	

**Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 1,864

Underlyings:

Distribuidora Intl de Alim.SA Acciones Port. EO -.10 (ES0126775032), Marks & Spencer Group PLC Registered Shares LS -.25 (GB0031274896), Morrison Supermarkets PLC, Wm. Registered Shares LS -.10 (GB0006043169), Ocado Group PLC Registered Shares LS -.02 (GB00B3MBS747), Vifor Pharma AG Nam.-Akt. SF 0.01 (CH0364749348)

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	12,738.56
2. Dividends from foreign issuers (before withholding tax)	EUR	508,125.64
3. Income from securities lending and securities repurchase agreements	EUR	2,016.46
4. Deduction of foreign withholding tax	EUR	-28,720.15
5. Other income	EUR	12,526.01
Total income	EUR	506,686.52
II. Expenses		
1. Interest from borrowings	EUR	-44.57
2. Management fee	EUR	-109,118.18
3. Other expenses	EUR	-6,472.86
Total expenses	EUR	-115,635.61
III. Ordinary net income	EUR	391,050.91
IV. Disposals		
1. Realised gains	EUR	1,739,884.45
2. Realised losses	EUR	-3,774,893.04
Gain/loss on disposals	EUR	-2,035,008.59
V. Annual realised results	EUR	-1,643,957.68
1. Net change in unrealised gains	EUR	540,834.80
2. Net change in unrealised losses	EUR	-46,159.20
VI. Annual unrealised results	EUR	494,675.60
VII. Result for the financial year	EUR	-1,149,282.08

Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Change in sub-fund assets

			2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR	12,648,850.75
1. Distribution for the previous year		EUR	-28,903.18
2. Interim distributions		EUR	-350,631.52
3. Inflow/outflow of funds (net)		EUR	11,265,124.00
a) Inflow of funds from sale of equities	EUR	42,898,604.00	
b) Outflow of funds from redemption of equities	EUR	-31,633,480.00	
4. Income adjustment/cost compensation		EUR	877,183.18
5. Result for the financial year		EUR	-1,149,282.08
of which unrealised gains	EUR	540,834.80	
of which unrealised losses	EUR	-46,159.20	
II. Value of sub-fund assets at end of financial year		EUR	23,262,341.15

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	5,644,524.65	7.06
1. Carryforward from the previous year ⁵⁰⁾	EUR	3,513,589.29	4.39
2. Realised net income for the financial year	EUR	-1,643,957.68	-2.05
3. Transfer from sub-fund assets ⁵¹⁾	EUR	3,774,893.04	4.72
II. Not used for distribution	EUR	-5,273,096.33	-6.59
1. Reinvested	EUR	-1,783,745.16	-2.23
2. Carryforward to new account	EUR	-3,489,351.17	-4.36
III. Total pay-out	EUR	371,428.32	0.47
1. Interim distribution	EUR	350,631.52	0.44
2. Final year-end distribution	EUR	20,796.80	0.03

⁵⁰⁾ Difference from the previous year because of income adjustment calculated on carryforwards.
⁵¹⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	23,262,341.15	29.08
2016/2017	EUR	12,648,850.75	30.12
2015/2016	EUR	25,123,099.66	31.40
2014/2015	EUR	19,617,205.92	36.33

**Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	119,000.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	29.08
Shares in circulation	Units	800,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0026% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	756.18
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0588% p.a. is due to the depository based on the average net asset value, and 0.0312% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Retail UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 12,526.01 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	12,526.01
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Other expenses amounting to EUR 6,472.86 are broken down as follows:

a) Bank custody fees:	EUR	3,102.48
b) Other expenditure:	EUR	1,459.59
c) Corporation tax on German dividends	EUR	1,910.79

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 2,080.67.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.73 percentage points
Annual tracking difference level	-0.18 percentage points

The STOXX® Europe 600 Retail Index (Net Total Return Index) posted a performance of -0.63% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Retail UCITS ETF (DE) recorded a performance of -0.81% during the same period.

Annual report for iShares STOXX Europe 600 Retail UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 2,016.46
Income share as % of gross income	62.50
Absolute cost share	EUR 756.18

Annual report for iShares STOXX Europe 600 Technology UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵²⁾
Securities								115,094,514.68	99.81
Exchange-traded securities								115,094,514.68	99.81
Shares								115,094,514.68	99.81
Altran Technologies S.A. Actions Port. EO 0.50	FR0000034639		Units	49,589	56,015	6,426	EUR 14.930	740,363.77	0.64
ams AG Inhaber-Aktien o.N.	AT0000A18XM4		Units	20,899	24,099	17,147	CHF 111.850	2,028,015.66	1.76
ASM International N.V. Bearer Shares EO 0.04	NL0000334118		Units	16,946	19,071	11,586	EUR 58.920	998,458.32	0.87
ASML Holding N.V. Aandelen op naam EO -.09	NL0010273215		Units	116,265	136,930	87,432	EUR 161.300	18,753,544.50	16.26
Atos SE Actions au Porteur EO 1	FR0000051732		Units	29,587	33,792	20,737	EUR 108.500	3,210,189.50	2.78
BE Semiconductor Inds N.V. Aandelen op Naam EO -.01	NL0000339760		Units	12,759	14,411	1,652	EUR 81.300	1,037,306.70	0.90
Capgemini SE Actions Port. EO 8	FR0000125338		Units	53,917	61,658	38,682	EUR 102.950	5,550,755.15	4.81
Dassault Systèmes S.A. Actions Port. EO 0.50	FR0000130650		Units	43,849	49,792	30,328	EUR 106.250	4,658,956.25	4.04
Dialog Semiconductor PLC Registered Shares LS -.10	GB0059822006		Units	22,844	28,089	19,319	EUR 26.600	607,650.40	0.53
Gemalto N.V. Aandelen EO 1	NL0000400653		Units	24,775	28,211	17,379	EUR 49.360	1,222,894.00	1.06
Hexagon AB Namn-Aktier B (fria) SK 1.333	SE0000103699		Units	85,040	97,035	60,101	SEK 486.700	4,095,722.00	3.55
Iliad S.A. Actions au Porteur o.N.	FR0004035913		Units	8,907	10,154	5,643	EUR 192.900	1,718,160.30	1.49
Infineon Technologies AG Namens-Aktien o.N.	DE0006231004		Units	362,201	413,335	255,377	EUR 22.400	8,113,302.40	7.04
Ingenico Group S.A. Actions Port. EO 1	FR0000125346		Units	18,813	21,481	13,156	EUR 71.520	1,345,505.76	1.17
Logitech International S.A. Namens-Aktien SF 0.25	CH0025751329		Units	52,064	62,826	38,796	CHF 37.390	1,688,895.61	1.46
Micro Focus International PLC Registered Shares LS -.10	GB00BD8YWM01		Units	138,743	184,855	46,112	GBP 20.630	3,233,531.43	2.80
Nokia Oyj Registered Shares EO 0.06	FI0009000681		Units	1,861,519	2,123,262	1,313,909	EUR 4.803	8,940,875.76	7.75
Sage Group PLC, The Registered Shares LS-.01051948	GB00B8C3BL03		Units	356,960	407,162	252,042	GBP 6.926	2,792,986.38	2.42
SAP SE Inhaber-Aktien o.N.	DE0007164600		Units	318,785	362,952	222,412	EUR 86.200	27,479,267.00	23.83
Scout24 AG Namens-Aktien o.N.	DE000A12DM80		Units	27,771	44,847	17,076	EUR 36.260	1,006,976.46	0.87
Siltronic AG Namens-Aktien o.N.	DE000WAF3001		Units	6,611	7,465	854	EUR 121.200	801,253.20	0.69
SimCorp A/S Navne-Aktier DK 1	DK0060495240		Units	12,970	14,947	9,482	DKK 383.400	667,859.70	0.58
Software AG Namens-Aktien o.N.	DE000A2GS401		Units	16,401	21,842	5,441	EUR 43.280	709,835.28	0.62
Sopra Steria Group S.A. Actions Port. EO 1	FR0000050809		Units	5,254	8,903	3,649	EUR 159.700	839,063.80	0.73
STMicroelectronics N.V. Aandelen aan toonder EO 1.04	NL0000226223		Units	201,748	235,544	152,833	EUR 18.825	3,797,906.10	3.29
Telefonaktiebolaget L.M.Erics. Namn-Aktier B (fria) o.N.	SE0000108656		Units	901,965	1,082,393	733,844	SEK 55.760	4,976,893.22	4.32
Temenos Group AG Nam.-Aktien SF 5	CH0012453913		Units	19,210	22,092	13,544	CHF 110.900	1,848,284.07	1.60
United Internet AG Namens-Aktien o.N.	DE0005089031		Units	39,851	45,469	28,201	EUR 55.960	2,230,061.96	1.93
Derivatives								3,260.00	0.00
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								3,260.00	0.00
Receivables/liabilities									
Equity index futures contracts								3,260.00	0.00
STOXX 600 TECH MAR 18		EURX	Number	10			EUR	3,260.00	0.00
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								172,920.99	0.15
Bank accounts								172,920.99	0.15
EUR balances								129,499.57	0.11
Depository: State Street Bank International GmbH			EUR	129,499.57			% 100.000	129,499.57	0.11
Balances in other EU/EEA currencies								36,230.29	0.03
Depository: State Street Bank International GmbH			GBP	32,070.45			% 100.000	36,230.29	0.03
Non-EU/EEA currencies								7,191.13	0.01
Depository: State Street Bank International GmbH			USD	8,770.66			% 100.000	7,191.13	0.01

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets 52)
Other assets								81,678.97	0.07
Dividend claims			GBP	33,039.84				37,325.42	0.03
Withholding tax reimbursement claims			CHF	12,055.47				10,459.09	0.01
			EUR	17,894.46				17,894.46	0.02
Initial margin			EUR	16,000.00				16,000.00	0.01
Liabilities arising from loans								-2,020.78	-0.00
Loans in other EU/EEA currencies								-734.60	-0.00
			DKK	-725.18		%	100.000	-97.40	-0.00
			SEK	-6,439.16		%	100.000	-637.20	-0.00
Loans in non-EU/EEA currencies								-1,286.18	-0.00
			CHF	-1,482.49		%	100.000	-1,286.18	-0.00
Other liabilities								-40,409.37	-0.04
Management fee			EUR	-36,246.73				-36,246.73	-0.03
Received variation margin			EUR	-3,110.00				-3,110.00	-0.00
Other liabilities			EUR	-1,052.64				-1,052.64	-0.00
sub-funds							EUR	115,309,944.49	100.00
Share value							EUR	42.71	
Shares in circulation							Units	2,700,000	

52) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Micro Focus International PLC Registered Shares LS -.10	GB00BQY7BX88	Units	35,389	76,801	
Unlisted securities					
Shares					
Software AG Inhaber-Aktien o.N.	DE0003304002	Units	11,533	21,306	
Derivatives					
(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)					
Futures contracts					
Equity index futures contracts					
Purchased contracts:					
Underlying				security(ies):	2,294
STXE 600 Technology Index (Price) (EUR)					

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Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 415
Underlyings:	
Hexagon AB Namn-Aktier B (fria) SK1.333 (SE0000103699), ams AG Inhaber-Aktien o.N. (AT0000A18XM4)	

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	302,949.21
2. Dividends from foreign issuers (before withholding tax)	EUR	721,426.22
3. Interest from domestic liquidity investments	EUR	5.44
4. Income from securities lending and securities repurchase agreements	EUR	60.29
5. Deduction of foreign withholding tax	EUR	-61,252.93
6. Other income	EUR	16,394.30
Total income	EUR	979,582.53
II. Expenses		
1. Interest from borrowings	EUR	-60.52
2. Management fee	EUR	-501,256.43
3. Other expenses	EUR	-18,555.90
Total expenses	EUR	-519,872.85
III. Ordinary net income	EUR	459,709.68
IV. Disposals		
1. Realised gains	EUR	13,227,830.35
2. Realised losses	EUR	-1,026,713.98
Gain/loss on disposals	EUR	12,201,116.37
V. Annual realised results	EUR	12,660,826.05
1. Net change in unrealised gains	EUR	3,709,660.36
2. Net change in unrealised losses	EUR	-1,398,467.39
VI. Annual unrealised results	EUR	2,311,192.97
VII. Result for the financial year	EUR	14,972,019.02

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for the reporting period from 01/03/2017 to 28/02/2018**

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	55,090,844.33
1. Distribution for the previous year	EUR	-53,631.50
2. Interim distributions	EUR	-708,560.70
3. Inflow/outflow of funds (net)	EUR	49,543,440.00
a) Inflow of funds from sale of equities	EUR 123,296,745.00	
b) Outflow of funds from redemption of equities	EUR -73,753,305.00	
4. Income adjustment/cost compensation	EUR	-3,534,166.66
5. Result for the financial year	EUR	14,972,019.02
of which unrealised gains	EUR 3,709,660.36	
of which unrealised losses	EUR -1,398,467.39	
II. Value of sub-fund assets at end of financial year	EUR	115,309,944.49

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	29,074,982.86	10.77
1. Carryforward from the previous year ⁵³⁾	EUR	15,387,442.83	5.70
2. Realised net income for the financial year	EUR	12,660,826.05	4.69
3. Transfer from sub-fund assets ⁵⁴⁾	EUR	1,026,713.98	0.38
II. Not used for distribution	EUR	-28,366,422.16	-10.51
1. Reinvested	EUR	-11,069,930.49	-4.10
2. Carryforward to new account	EUR	-17,296,491.67	-6.41
III. Total pay-out	EUR	708,560.70	0.26
1. Interim distribution	EUR	708,560.70	0.26
2. Final year-end distribution	EUR	0.00	0.00

⁵³⁾ Difference from the previous year because of income adjustment calculated on carryforwards.
⁵⁴⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

**Annual report for iShares STOXX Europe 600 Technology UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	115,309,944.49	42.71
2016/2017	EUR	55,090,844.33	37.99
2015/2016	EUR	47,540,193.16	31.69
2014/2015	EUR	51,505,989.33	34.34

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	222,680.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	42.71
Shares in circulation	Units	2,700,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Technology UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0000% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	22.64
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0198% p.a. is due to the depository based on the average net asset value, and 0.0356% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Technology UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 16,394.30 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	9,560.15
b) Other income:	EUR	6,834.15

Other expenses amounting to EUR 18,555.90 are broken down as follows:

a) Bank custody fees:	EUR	13,626.65
b) Other expenditure:	EUR	4,929.25

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 16,757.71.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.64 percentage points
Annual tracking difference level	-0.23 percentage points

The STOXX® Europe 600 Technology Index (Net Total Return Index) posted a performance of 13.97% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 UCITS ETF (DE) recorded a performance of 13.74% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Technology UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 60.29
Income share as % of gross income	62.45
Absolute cost share	EUR 22.64

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁵⁾
Securities								387,069,218.17	99.16
Exchange-traded securities								387,069,218.17	99.16
Shares								387,069,218.17	99.16
1&1 Drillisch AG Inhaber-Aktien o.N.	DE0005545503		Units	65,186	88,533	23,347	EUR 63.450	4,136,051.70	1.06
Altice N.V. Aandelen aan tonder A EO 0.01 ⁵⁶⁾	NL0011333752		Units	764,290	839,972	544,434	EUR 7.886	6,027,190.94	1.54
BT Group PLC Registered Shares LS 0.05	GB0030913577		Units	12,105,449	11,414,207	8,002,686	GBP 2.398	32,794,186.29	8.40
Cellnex Telecom S.A. Acciones Port. EO 0.25	ES0105066007		Units	211,164	199,054	139,478	EUR 21.160	4,468,230.24	1.14
Deutsche Telekom AG Namens-Aktien o.N.	DE0005557508		Units	4,020,492	3,974,495	2,725,407	EUR 13.260	53,311,723.92	13.66
Elisa Oyj Registered Shares Class A o.N.	FI0009007884		Units	207,953	196,038	137,317	EUR 35.350	7,351,138.55	1.88
freenet AG Namens-Aktien o.N.	DE000A02ZZZ5		Units	176,818	166,761	116,884	EUR 28.460	5,032,240.28	1.29
Inmarsat PLC Registered Shares EO -.0005	GB00B09LSH68		Units	632,054	595,870	411,957	GBP 4.699	3,355,261.77	0.86
Kon. KPN N.V. Aandelen aan toonder EO 0.04	NL0000009082		Units	4,362,804	4,289,888	3,254,366	EUR 2.570	11,212,406.28	2.87
Orange S.A. Actions Port. EO 4	FR0000133308		Units	2,830,375	2,694,750	1,849,214	EUR 13.940	39,455,427.50	10.11
Proximus S.A. Actions au Porteur o.N.	BE0003810273		Units	217,003	204,701	145,185	EUR 26.390	5,726,709.17	1.47
Sunrise Communications Gr. AG Nam.-Aktien SF 1	CH0267291224		Units	43,767	41,264	28,907	CHF 89.700	3,406,034.41	0.87
Swisscom AG Namens-Aktien SF 1	CH0008742519		Units	35,085	33,090	23,199	CHF 512.000	15,584,800.65	3.99
TDC A/S Navne-Aktier DK 1	DK0060228559		Units	1,121,379	1,068,508	740,820	DKK 49.750	7,492,705.41	1.92
Tele2 AB Namn-Aktier B SK -.625	SE0005190238		Units	489,641	464,827	323,564	SEK 98.480	4,771,684.15	1.22
Telecom Italia S.p.A. Azioni nom. o.N.	IT0003497168		Units	15,968,784	15,159,870	10,960,133	EUR 0.740	11,816,900.16	3.03
Telefónica Deutschland Hldg AG Namens-Aktien o.N.	DE000A1J5RX9		Units	875,778	1,061,169	814,067	EUR 3.790	3,319,198.62	0.85
Telefónica S.A. Acciones Port. EO 1	ES0178430E18		Units	6,346,977	6,074,714	4,038,740	EUR 7.993	50,731,387.16	13.00
Telenor ASA Navne-Aksjer NK 6	NO0010063308		Units	954,473	899,874	630,522	NOK 178.350	17,696,362.61	4.53
Telia Company AB Namn-Aktier SK 3.20	SE0000667925		Units	3,749,272	3,534,958	2,477,081	SEK 39.330	14,592,065.41	3.74
Vodafone Group PLC Registered Shares DL 0.2095238	GB00BH4HKS39		Units	36,835,579	34,712,138	24,256,471	GBP 2.038	84,787,512.95	21.72
Derivatives								-242,642.00	-0.06
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-242,642.00	-0.06
Receivables/liabilities									
Equity index futures contracts								-242,642.00	-0.06
STOXX 600 TLM MAR 18		EURX	Number	254			EUR	-242,642.00	-0.06
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								16,228,702.02	4.16
Bank accounts								16,228,702.02	4.16
EUR balances								16,228,497.29	4.16
Depository: State Street Bank International GmbH			EUR	16,228,497.29			% 100.000	16,228,497.29	4.16
Balances in other EU/EEA currencies								204.73	0.00
Depository: State Street Bank International GmbH			DKK	262.80			% 100.000	35.30	0.00
			NOK	1,629.88			% 100.000	169.43	0.00

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁵⁾
Other assets								8,006,784.25	2.05
Withholding tax reimbursement claims			CHF	223,230.93				193,670.81	0.05
			EUR	730,022.44				730,022.44	0.19
Receivables from FX spot transactions			CHF	791,383.20				686,588.68	0.18
			DKK	1,992,906.72				267,657.94	0.07
			GBP	3,865,717.19				4,367,137.41	1.12
			NOK	6,110,695.20				635,240.05	0.16
			SEK	7,006,941.96				693,384.92	0.18
Initial margin			EUR	203,140.00				203,140.00	0.05
Paid variation margin			EUR	229,942.00				229,942.00	0.06
Liabilities arising from loans								-315.09	-0.00
Loans in other EU/EEA currencies								-196.13	-0.00
			SEK	-1,981.93		%	100.000	-196.13	-0.00
Loans in non-EU/EEA currencies								-118.96	-0.00
			CHF	-137.12		%	100.000	-118.96	-0.00
Other liabilities								-20,731,085.71	-5.31
Management fee			EUR	-132,540.18				-132,540.18	-0.03
Liabilities arising from securities transactions			CHF	-791,383.20				-686,588.68	-0.18
			DKK	-1,992,906.72				-267,657.94	-0.07
			EUR	-7,274,504.89				-7,274,504.89	-1.86
			GBP	-3,865,717.19				-4,367,137.41	-1.12
			NOK	-6,110,695.20				-635,240.05	-0.16
			SEK	-7,006,941.96				-693,384.92	-0.18
Liabilities arising from FX spot transactions			EUR	-6,670,583.23				-6,670,583.23	-1.71
Other liabilities			EUR	-3,448.41				-3,448.41	-0.00
sub-funds							EUR	390,330,661.64	100.00
Share value							EUR	23.17	
Shares in circulation							Units	16,850,000	

55) Rounding of percentages during the calculation may result in slight rounding differences.
56) These securities are partially or fully transferred as securities loans.

Notes on Securities Loans

Designation of class of security	Nominal in units or currency in 1,000s	Securities lending Market value in EUR		Total	
		Limited	Unlimited		
The following securities were transferred as securities loans as at the reporting date:					
Altice N.V. Aandelen aan toonder A EO -.01	NL0011333752	Units	491,269	0.00	3,874,147.33
Total value of securities loans repayable		EUR	0.00	3,874,147.33	3,874,147.33

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Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Unlisted securities					
Shares					
SFR Group S.A. Actions Nom. EO 1	FR0011594233	Units	109,397	109,397	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying					31,249
STXE 600 Telecommunications Index (Price) (EUR)				security(ies):	

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 44,023

Underlyings:

Altice N.V. Aandelen aan toonder A EO -.01 (NL0011333752), Inmarsat PLC Registered Shares EO -.0005 (GB00B09LSH68), Telecom Italia S.p.A. Azioni nom. o.N. (IT0003497168)

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from foreign issuers (before withholding tax)	EUR	14,966,766.27
2. Interest from domestic liquidity investments	EUR	3.56
3. Income from securities lending and securities repurchase agreements	EUR	15,745.00
4. Deduction of foreign withholding tax	EUR	-932,916.16
5. Other income	EUR	546,530.18
Total income	EUR	14,596,128.85
II. Expenses		
1. Interest from borrowings	EUR	-112.80
2. Management fee	EUR	-1,967,847.40
3. Other expenses	EUR	-74,343.60
Total expenses	EUR	-2,042,303.80
III. Ordinary net income	EUR	12,553,825.05
IV. Disposals		
1. Realised gains	EUR	7,832,367.17
2. Realised losses	EUR	-33,777,757.11
Gain/loss on disposals	EUR	-25,945,389.94
V. Annual realised results	EUR	-13,391,564.89
1. Net change in unrealised gains	EUR	-4,471,767.29
2. Net change in unrealised losses	EUR	-15,695,501.34
VI. Annual unrealised results	EUR	-20,167,268.63
VII. Result for the financial year	EUR	-33,558,833.52

Change in sub-fund assets

		2017/2018	
I. Value of sub-fund assets at beginning of the financial year		EUR	302,083,184.93
1. Distribution for the previous year		EUR	-1,137,457.80
2. Interim distributions		EUR	-38,990,273.80
3. Inflow/outflow of funds (net)		EUR	158,785,340.00
a) Inflow of funds from sale of equities	EUR	392,781,175.00	
b) Outflow of funds from redemption of equities	EUR	-233,995,835.00	
4. Income adjustment/cost compensation		EUR	3,148,701.83
5. Result for the financial year		EUR	-33,558,833.52
of which unrealised gains	EUR	-4,471,767.29	
of which unrealised losses	EUR	-15,695,501.34	
II. Value of sub-fund assets at end of financial year		EUR	390,330,661.64

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	76,439,673.76	4.53
1. Carryforward from the previous year ⁵⁷⁾	EUR	56,053,481.54	3.33
2. Realised net income for the financial year	EUR	-13,391,564.89	-0.80
3. Transfer from sub-fund assets ⁵⁸⁾	EUR	33,777,757.11	2.00
II. Not used for distribution	EUR	-37,449,399.96	-2.22
1. Reinvested	EUR	0.00	0.00
2. Carryforward to new account	EUR	-37,449,399.96	-2.22
III. Total pay-out	EUR	38,990,273.80	2.31
1. Interim distribution	EUR	38,990,273.80	2.31
2. Final year-end distribution	EUR	0.00	0.00

⁵⁷⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

⁵⁸⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

In principle, income reinvested and taxed at the end of the calendar year 2017 was no longer distributed, in order to avoid the re-taxation of investors in the event of distribution. For this reason, a reinvestment as opposed to a final year-end distribution took place from this specific fund.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	390,330,661.64	23.17
2016/2017	EUR	302,083,184.93	27.97
2015/2016	EUR	258,320,417.23	31.12
2014/2015	EUR	141,934,358.99	35.48

**Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	3,355,975.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

Information where securities loans are employed pursuant to Article 37 Para. 2 DerivateV:

Level of exposure through securities loans:	EUR	3,874,147.33
Counterparty to securities loans: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total value of collateral provided for securities loans:	EUR	4,033,658.64
of which:		
Bonds		4,033,658.64

**Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	23.17
Shares in circulation	Units	16,850,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Norwegian kroner	(NOK)	9.61951 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0014% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	5,904.40
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0106% p.a. is due to the depository based on the average net asset value, and 0.0369% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 546,530.18 is broken down as follows:

a) Income from withholding tax refunds/claims:	EUR	546,530.18
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Other expenses amounting to EUR 74,343.60 are broken down as follows:

a) Bank custody fees:	EUR	53,532.73
b) Other expenditure:	EUR	20,810.87

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 45,801.44.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.27 percentage points
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Annual tracking difference level	-0.12 percentage points
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The STOXX® Europe 600 Telecommunications Index (Net Total Return Index) posted a performance of -6.02% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) recorded a performance of -6.14% during the same period.

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Assets used	
Absolute	EUR 3,874,147.33
In % of fund assets	0.99
Ten largest counterparties (descending)	
Name	CREDIT SUISSE SECURITIES (EUROPE) LIMITED
Gross volume of open transactions	EUR 3,874,147.33
Country of residence	United Kingdom (UK)
Type(s) of settlement and clearing (e.g. bilateral, trilateral, CCP)	
Wertpapierleihekonzern UniCredit Bank AG, London branch and Credit Suisse Securities (Europe) Ltd are subject to the bilateral model with BlackRock. The securities lending transactions and the associated collateralisation with the counterparties Goldman Sachs International and Morgan Stanley Co International PLC are carried out by an agent (tri-party model).	
Transactions broken down by remaining maturity (absolute amounts)	
Unlimited	EUR 3,874,147.33
Type(s) and quality(ies) of collateral received	
Bonds	EUR 4,033,658.64
Quality	<p>Type(s) of collateral received</p> <p>Quality(ies) of collateral received</p> <p>The investment stock corporation currently accepts the following assets in particular as collateral for securities lending transactions:</p> <ul style="list-style-type: none"> • Government bonds with a maximum maturity of 10 years from the following countries: Austria, Belgium, Denmark, Finland, France, Germany, the Netherlands, Norway, Sweden, Switzerland and the UK • Equities on the following indices: AEX Index (Netherlands), ATX index (Austria), BEL 20 Index (Belgium), CAC All Share Index (France), CDAX Index (Germany), FTSE All Share Index (UK), FTSE MIB Index (Italy), HEX 25 Index (Finland), Madrid General Index (Spain), OMX Copenhagen 20 Index (Denmark), OMX Stockholm 30 Index (Sweden), OBX Stock Index (Norway), PSI 20 Index (Portugal), SPI.
Currency(ies) of collateral received	
	EUR
Collateral broken down by remaining maturity (absolute amounts)	
Unlimited	EUR 4,033,658.64
Income and cost shares	
Fund	
Absolute income share	EUR 15,745.00
Income share as % of gross income	62.50
Absolute cost share	EUR 5,904.40

**Annual report for iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Loaned securities as % of all loanable fund assets	
	1.09
Ten largest collateral issuers based on all security financing transactions and total return swaps	
Name	France, Republic of
Volume of collateral received (absolute)	EUR 1,734,551.43
Name	Netherlands, Kingdom of
Volume of collateral received (absolute)	EUR 1,207,427.66
Name	Germany, Federal Republic of
Volume of collateral received (absolute)	EUR 1,075,364.25
Name	Austria, Republic of
Volume of collateral received (absolute)	EUR 16,315.30

Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁹⁾
Securities								28,124,004.03	99.29
Exchange-traded securities								28,124,004.03	99.29
Shares								27,537,131.56	97.22
ACCOR S.A. Actions Port. EO 3	FR0000120404		Units	39,451	45,293	44,181	EUR 47.500	1,873,922.50	6.62
Air France-KLM S.A. Actions Port. EO 1	FR0000031122		Units	54,176	56,841	2,665	EUR 9.776	529,624.58	1.87
Carnival PLC Registered Shares DL 1.66	GB0031215220		Units	35,656	38,378	44,168	GBP 47.990	1,933,081.43	6.82
Compass Group PLC Registered Shares LS -.1105	GB00BD6K4575		Units	304,718	651,687	346,969	GBP 15.460	5,321,993.96	18.79
Deutsche Lufthansa AG vink.Namens-Aktien o.N.	DE0008232125		Units	45,165	47,028	52,743	EUR 27.620	1,247,457.30	4.40
EasyJet PLC Registered Shares LS-.27285714	GB00B7KR2P84		Units	38,068	39,844	44,885	GBP 16.790	722,067.06	2.55
Elior Group SCA Actions au Port. EO -.01	FR0011950732		Units	20,794	24,073	29,325	EUR 18.020	374,707.88	1.32
Greene King PLC Registered Shares LS -.125	GB00B0H2P136		Units	59,416	62,179	70,012	GBP 5.220	350,381.12	1.24
GVC Holdings PLC Registered Shares EO -.01	IM00B5VQMV65		Units	57,833	60,324	65,933	GBP 8.930	583,436.99	2.06
InterContinental Hotels Group Reg.Shares LS -.198095238	GB00BD8QVH41		Units	37,875	81,016	43,141	GBP 46.990	2,010,596.23	7.10
Internat. Cons. Airl. Group SA Acciones Nom. EO -.50	ES0177542018		Units	204,423	214,405	241,474	GBP 6.146	1,419,348.66	5.01
Ladbroskes Coral Group PLC Registered Shares LS 0.28333	GB00B0ZSH635		Units	348,433	715,663	367,230	GBP 1.646	647,714.98	2.29
Merlin Entertainment PLC Registered Shares LS -.01	GB00BDZT6P94		Units	137,132	142,985	160,571	GBP 3.400	526,725.70	1.86
Paddy Power Betfair PLC Registered Shares EO -.09	IE00BWT6H894		Units	16,556	17,320	19,398	EUR 95.600	1,582,753.60	5.59
Playtech PLC Registered Shares LS -.01	IM00B7S9G985		Units	56,960	67,526	57,065	GBP 7.822	503,332.03	1.78
Ryanair Holdings PLC Registered Shares EO -.006	IE00BYTBXV33		Units	113,366	120,736	143,493	EUR 16.200	1,836,529.20	6.48
Sodexo S.A. Actions Port. EO 4	FR0000121220		Units	17,460	18,627	21,320	EUR 101.100	1,765,206.00	6.23
SSP Group PLC Registered Shares (WI) LS 0.01	GB00BNGWY422		Units	91,091	195,687	104,596	GBP 6.045	622,069.00	2.20
TUI AG Namens-Aktien o.N.	DE000TUAG000		Units	86,694	91,846	113,460	GBP 15.445	1,512,668.39	5.34
Whitbread PLC Reg. Shares LS -.76797385	GB00B1KJJ408		Units	35,160	36,761	41,367	GBP 38.830	1,542,350.35	5.45
William Hill PLC Registered Shares LS -.10	GB0031698896		Units	170,075	178,003	200,503	GBP 3.285	631,164.60	2.23
Other securities								586,872.47	2.07
Kindred Group PLC Shares (SDR's)/1 LS 0.000625	SE0007871645		Units	44,110	46,174	52,015	SEK 134.450	586,872.47	2.07
Derivatives								-235.00	-0.00
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-235.00	-0.00
Receivables/liabilities									
Equity index futures contracts								-235.00	-0.00
STOXX 600 TRVL MAR 18		EURX	Number	14			EUR	-235.00	-0.00
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								168,852.75	0.60
Bank accounts								168,852.75	0.60
EUR balances								92,047.20	0.32
Depository: State Street Bank International GmbH			EUR	92,047.20			% 100.000	92,047.20	0.32
Balances in other EU/EEA currencies								76,805.55	0.27
Depository: State Street Bank International GmbH			GBP	67,952.29			% 100.000	76,766.35	0.27
			SEK	396.13			% 100.000	39.20	0.00
Other assets								43,453.07	0.15
Dividend claims			USD	16,045.20				13,155.57	0.05
Withholding tax reimbursement claims			EUR	15,297.50				15,297.50	0.05
Initial margin			EUR	15,000.00				15,000.00	0.05

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁵⁹⁾
Other liabilities								-10,417.60	-0.04
Management fee			EUR	-9,687.62				-9,687.62	-0.03
Received variation margin			EUR	-465.00				-465.00	-0.00
Other liabilities			EUR	-264.98				-264.98	-0.00
sub-funds							EUR	28,325,657.25	100.00
Share value							EUR	24.63	
Shares in circulation							Units	1,150,000	

59) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Compass Group PLC Registered Shares LS -.10625	GB00BLNN3L44	Units	327,205	686,325	
Domino's Pizza Group PLC Registered Shares LS-.00520833	GB00BYN59130	Units	99,662	207,733	
Firstgroup PLC Registered Shares LS -.05	GB0003452173	Units	2,242	263,816	
InterContinental Hotels Group Reg.Shares LS -.1896656	GB00BYXK6398	Units	10,864	55,660	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	security(ies):	2,071
STXE 600 Travel & Leisure Index (Price) (EUR)		

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 967

Underlyings:

Domino's Pizza Group PLC Registered Shares LS -.00520833 (GB00BYN59130), Ladbrokes Coral Group PLC Registered Shares LS -.28333 (GB00B0ZSH635)

Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	79,284.09
2. Dividends from foreign issuers (before withholding tax)	EUR	1,046,031.81
3. Income from securities lending and securities repurchase agreements	EUR	547.96
4. Deduction of foreign withholding tax	EUR	-9,906.87
5. Other income	EUR	3,643.83
Total income	EUR	1,119,600.82
II. Expenses		
1. Interest from borrowings	EUR	-25.12
2. Management fee	EUR	-125,575.45
3. Other expenses	EUR	-14,644.65
Total expenses	EUR	-140,245.22
III. Ordinary net income	EUR	979,355.60
IV. Disposals		
1. Realised gains	EUR	1,601,759.10
2. Realised losses	EUR	-1,277,452.98
Gain/loss on disposals	EUR	324,306.12
V. Annual realised results	EUR	1,303,661.72
1. Net change in unrealised gains	EUR	-518,073.59
2. Net change in unrealised losses	EUR	238,938.93
VI. Annual unrealised results	EUR	-279,134.66
VII. Result for the financial year	EUR	1,024,527.06

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	28,924,104.81
1. Distribution for the previous year	EUR	-286,301.25
2. Interim distributions	EUR	-806,806.45
3. Inflow/outflow of funds (net)	EUR	-806,615.00
a) Inflow of funds from sale of equities	EUR	29,063,070.00
b) Outflow of funds from redemption of equities	EUR	-29,869,685.00
4. Income adjustment/cost compensation	EUR	276,748.08
5. Result for the financial year	EUR	1,024,527.06
of which unrealised gains	EUR	-518,073.59
of which unrealised losses	EUR	238,938.93
II. Value of sub-fund assets at end of financial year	EUR	28,325,657.25

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	6,579,101.19	5.72
1. Carryforward from the previous year ⁶⁰⁾	EUR	3,997,986.49	3.48
2. Realised net income for the financial year	EUR	1,303,661.72	1.13
3. Transfer from sub-fund assets ⁶¹⁾	EUR	1,277,452.98	1.11
II. Not used for distribution	EUR	-5,613,304.94	-4.88
1. Reinvested	EUR	-1,364,456.35	-1.19
2. Carryforward to new account	EUR	-4,248,848.59	-3.69
III. Total pay-out	EUR	965,796.25	0.84
1. Interim distribution	EUR	806,806.45	0.70
2. Final year-end distribution	EUR	158,989.80	0.14

60) Difference from the previous year because of income adjustment calculated on carryforwards.

61) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	28,325,657.25	24.63
2016/2017	EUR	28,924,104.81	23.14
2015/2016	EUR	55,060,194.33	24.47
2014/2015	EUR	40,403,948.11	24.49

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	182,532.00
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Counterparty to derivatives transactions:

CREDIT SUISSE SECURITIES (EUROPE) LIMITED

		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	24.63
Shares in circulation	Units	1,150,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives:	Closing prices on the respective valuation dates
All securities:	Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX	European Exchange (EUREX)
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Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0006% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	205.48
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0481% p.a. is due to the depository based on the average net asset value, and 0.0589% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 3,643.83 is broken down as follows:

a) Compensation payments:	EUR	10,222.57
b) Income from withholding tax refunds/claims:	EUR	-6,578.74

Other expenses amounting to EUR 14,644.65 are broken down as follows:

a) Bank custody fees:	EUR	3,416.27
b) Other expenditure:	EUR	2,775.71
c) Corporation tax on German dividends	EUR	8,452.67

The negative value under "Income from withholding tax refunds/claims" is due to non-recoverable withholding tax reimbursement claims from previous financial years.

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 34,181.90.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	1.11 percentage points
Annual tracking difference level	-0.51 percentage points

The STOXX® Europe 600 Travel & Leisure Index (Net Total Return Index) posted a performance of 10.34% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) recorded a performance of 9.83% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of Blackrock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

**Annual report for iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 547.96
Income share as % of gross income	62.50
Absolute cost share	EUR 205.48

Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁶²⁾
Securities								351,770,651.82	99.28
Exchange-traded securities								351,770,651.82	99.28
Shares								351,770,651.82	99.28
A2A S.p.A. Azioni nom. EO 0.52	IT0001233417		Units	1,895,927	1,034,727	859,447	EUR 1.456	2,760,469.71	0.78
Centrica PLC Reg. Shares LS -.061728395	GB00B033F229		Units	6,824,197	3,762,920	3,001,531	GBP 1.430	11,024,384.99	3.11
CEZ AS Inhaber-Aktien KC 100	CZ0005112300		Units	196,780	108,983	90,779	CZK 505.000	3,910,891.20	1.10
E.ON SE Namens-Aktien o.N.	DE000ENAG999		Units	2,664,066	1,604,695	1,138,603	EUR 8.360	22,271,591.76	6.29
EDP - Energias de Portugal SA Acções Nom. EO 1	PTEDP0AM0009		Units	3,162,554	1,840,336	1,481,851	EUR 2.753	8,706,511.16	2.46
Electricité de France (E.D.F.) Actions au Porteur EO 0.50	FR0010242511		Units	580,117	605,091	373,078	EUR 10.705	6,210,152.49	1.75
Enagas S.A. Acciones Port. EO 1.50	ES0130960018		Units	201,797	71,116	-	EUR 21.420	4,322,491.74	1.22
Endesa S.A. Acciones Port. EO 1.20	ES0130670112		Units	383,148	222,925	179,463	EUR 17.300	6,628,460.40	1.87
ENEL S.p.A. Azioni nom. EO 1	IT0003128367		Units	9,399,435	5,089,736	4,194,359	EUR 4.779	44,919,899.87	12.68
Engie S.A. Actions Port. EO 1	FR0010208488		Units	2,237,158	1,338,428	916,286	EUR 12.875	28,803,409.25	8.13
Fortum Oyj Registered Shares EO 3.40	FI0009007132		Units	529,440	287,690	238,738	EUR 18.050	9,556,392.00	2.70
Gas Natural SDG S.A. Acciones Port. EO 1	ES0116870314		Units	429,727	250,030	201,275	EUR 18.815	8,085,313.51	2.28
Iberdrola S.A. Acciones Port. EO -.75	ES0144580Y14		Units	6,994,847	3,415,925	2,584,099	EUR 6.076	42,500,690.37	11.99
innogy SE Inhaber-Aktien o.N.	DE000A2AADD2		Units	156,061	85,905	71,513	EUR 32.810	5,120,361.41	1.45
Italgas S.P.A. Azioni nom. o.N.	IT0005211237		Units	592,103	326,036	283,393	EUR 4.417	2,615,318.95	0.74
National Grid PLC Reg. Shares LS -.12431289	GB00BDR05C01		Units	4,101,314	5,800,473	1,699,159	GBP 7.402	34,295,637.46	9.68
Orsted A/S Indehaver Aktier DK 10	DK0060094928		Units	205,859	162,445	81,358	DKK 380.900	10,531,106.03	2.97
Pennon Group PLC Registered Shares New LS -.407	GB00B18V8630		Units	507,940	278,874	225,468	GBP 6.086	3,492,296.76	0.99
Red Electrica Corporacion S.A. Acciones Port. EO -.50	ES0173093024		Units	523,907	232,834	24,288	EUR 16.000	8,382,512.00	2.37
Rubis S.C.A. Actions Port. Nouv. EO 1.25	FR0013269123		Units	101,904	110,225	8,321	EUR 58.850	5,997,050.40	1.69
RWE AG Inhaber-Stammaktien o.N.	DE0007037129		Units	621,656	349,253	270,344	EUR 16.410	10,201,374.96	2.88
Severn Trent PLC Registered Shares LS -.9789	GB00B1FH8J72		Units	290,732	158,295	130,915	GBP 17.075	5,608,159.11	1.58
Snam S.p.A. Azioni nom. o.N.	IT0003153415		Units	2,717,998	1,542,094	1,511,912	EUR 3.681	10,004,950.64	2.82
SSE PLC Shs LS-.50	GB0007908733		Units	1,237,514	684,249	563,878	GBP 12.250	17,125,883.60	4.83
Suez S.A. Actions Port. EO 4	FR0010613471		Units	458,650	280,862	190,288	EUR 11.325	5,194,211.25	1.47
Terna Rete Elettrica Nazio.SpA Azioni nom. EO 0.22	IT0003242622		Units	1,706,582	927,083	769,309	EUR 4.560	7,782,013.92	2.20
Uniper SE Namens-Aktien o.N.	DE000UNSE018		Units	236,299	129,891	108,055	EUR 24.930	5,890,934.07	1.66
United Utilities Group PLC Registered Shares LS -.05	GB00B39J2M42		Units	825,317	448,129	371,834	GBP 6.662	6,211,438.61	1.75
Veolia Environnement S.A. Actions au Porteur EO 5	FR0000124141		Units	681,860	373,211	296,430	EUR 19.970	13,616,744.20	3.84
Derivatives								-184,870.00	-0.05
(The amounts marked with a minus sign are sold positions.)									
Equity index derivatives								-184,870.00	-0.05
Receivables/liabilities									
Equity index futures contracts								-184,870.00	-0.05
STOXX 600 UTIL MAR 18		EURX	Number	194			EUR	-184,870.00	-0.05
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								1,353,851.25	0.38
Bank accounts								1,353,851.25	0.38
EUR balances								1,353,851.25	0.38
Depository: State Street Bank International GmbH			EUR	1,353,851.25		%	100.000	1,353,851.25	0.38
Other assets								1,516,176.93	0.43
Dividend claims			GBP	375,004.09				423,645.68	0.12
Withholding tax reimbursement claims			EUR	771,241.25				771,241.25	0.22
Initial margin			EUR	169,400.00				169,400.00	0.05
Paid variation margin			EUR	151,890.00				151,890.00	0.04

Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000s	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁶²⁾
Liabilities arising from loans								-814.99	-0.00
Loans in other EU/EEA currencies								-814.99	-0.00
			CZK	-3,523.45		%	100.000	-138.67	-0.00
			DKK	-5,004.60		%	100.000	-672.14	-0.00
			GBP	-3.70		%	100.000	-4.18	-0.00
Other liabilities								-121,648.67	-0.03
Management fee			EUR	-118,222.43				-118,222.43	-0.03
Other liabilities			EUR	-3,426.24				-3,426.24	-0.00
sub-funds							EUR	354,333,346.34	100.00
Share value							EUR	26.54	
Shares in circulation							Units	13,350,000	

62) Rounding of percentages during the calculation may result in slight rounding differences.

Transactions during the reporting period, insofar as these no longer appear in the assets listed:

Securities purchases and sales, investment units and bonds (market allocation on the reporting date)

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals	Volume in 1,000
Securities					
Exchange-traded securities					
Shares					
Drax Group PLC Registered Shares LS -.1155172	GB00B1VNSX38	Units	160,117	615,053	
Electricité de France (E.D.F.) Anrechte	FR0013240322	Units	348,104	348,104	
Iberdrola S.A. Anrechte	ES06445809F4	Units	6,315,795	6,315,795	
Iberdrola S.A. Anrechte	ES06445809E7	Units	5,867,223	5,867,223	
National Grid PLC Reg. Shares New LS -.11395	GB00B08SNH34	Units	1,028,944	5,329,389	
Unlisted securities					
Shares					
Rubis S.C.A. Actions Port. EO 2.50	FR0000121253	Units	12,643	57,414	

Derivatives

(Option premiums or volume of option contracts converted into opening transactions; in the case of warrants, statement of purchases and sales)

Futures contracts

Equity index futures contracts

Purchased contracts:

Underlying	security(ies):	70,084
STXE 600 Utilities Index (Price) (EUR)		

**Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 71,957

Underlyings:

Centrica PLC Reg. Shares LS -.061728395 (GB00B033F229), Electricité de France (E.D.F.) Actions au Porteur EO 0.50 (FR0010242511), Electricité de France (E.D.F.) Anrechte (FR0013240322), National Grid PLC Reg. Shares LS -.12431289 (GB00BDR05C01), Pennon Group PLC Registered Shares New LS -.407 (GB00B18V8630)

**Profit and Loss Account (incl. Income Adjustment)
for the period from 01/03/2017 to 28/02/2018**

I. Income		
1. Dividends from domestic issuers	EUR	564,182.39
2. Dividends from foreign issuers (before withholding tax)	EUR	17,697,364.31
3. Interest from domestic liquidity investments	EUR	3.57
4. Income from securities lending and securities repurchase agreements	EUR	28,723.32
5. Deduction of foreign withholding tax	EUR	-990,512.42
6. Other income	EUR	2,169,650.58
Total income	EUR	19,469,411.75
II. Expenses		
1. Interest from borrowings	EUR	-517.09
2. Management fee	EUR	-1,757,386.84
3. Other expenses	EUR	-115,267.22
Total expenses	EUR	-1,873,171.15
III. Ordinary net income	EUR	17,596,240.60
IV. Disposals		
1. Realised gains	EUR	14,231,720.95
2. Realised losses	EUR	-13,426,880.75
Gain/loss on disposals	EUR	804,840.20
V. Annual realised results	EUR	18,401,080.80
1. Net change in unrealised gains	EUR	252,765.90
2. Net change in unrealised losses	EUR	-13,507,725.25
VI. Annual unrealised results	EUR	-13,254,959.35
VII. Result for the financial year	EUR	5,146,121.45

Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year	EUR	326,334,850.46
1. Distribution for the previous year	EUR	-5,447,438.75
2. Interim distributions	EUR	-15,538,456.65
3. Inflow/outflow of funds (net)	EUR	42,193,595.00
a) Inflow of funds from sale of equities	EUR	196,174,375.00
b) Outflow of funds from redemption of equities	EUR	-153,980,780.00
4. Income adjustment/cost compensation	EUR	1,644,674.83
5. Result for the financial year	EUR	5,146,121.45
of which unrealised gains	EUR	252,765.90
of which unrealised losses	EUR	-13,507,725.25
II. Value of sub-fund assets at end of financial year	EUR	354,333,346.34

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	87,484,112.04	6.55
1. Carryforward from the previous year ⁶³⁾	EUR	55,656,150.49	4.17
2. Realised net income for the financial year	EUR	18,401,080.80	1.38
3. Transfer from sub-fund assets ⁶⁴⁾	EUR	13,426,880.75	1.00
II. Not used for distribution	EUR	-69,625,652.34	-5.22
1. Reinvested	EUR	-16,475,650.39	-1.24
2. Carryforward to new account	EUR	-53,150,001.95	-3.98
III. Total pay-out	EUR	17,858,459.70	1.33
1. Interim distribution	EUR	15,538,456.65	1.16
2. Final year-end distribution	EUR	2,320,003.05	0.17

⁶³⁾ Difference from the previous year because of income adjustment calculated on carryforwards.

⁶⁴⁾ Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	354,333,346.34	26.54
2016/2017	EUR	326,334,850.46	27.77
2015/2016	EUR	189,865,441.88	28.13
2014/2015	EUR	190,923,519.95	33.20

**Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Information where derivatives are employed pursuant to Article 37 Para. 1 DerivateV:

Level of exposure through derivatives:	EUR	2,624,917.00
Counterparty to derivatives transactions: CREDIT SUISSE SECURITIES (EUROPE) LIMITED		
		Market value of securities in EUR
Total sum in connection with third-party derivatives for collateral:	EUR	0.00

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE)
for the reporting period from 01/03/2017 to 28/02/2018**

Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	26.54
Shares in circulation	Units	13,350,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

Derivatives: Closing prices on the respective valuation dates

All securities: Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Derivatives admitted for trading on a stock exchange or another regulated market are valued at the closing price on the relevant valuation date.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Danish kroner	(DKK)	7.44572 = 1 euro (EUR)
Czech koruna	(CZK)	25.40953 = 1 euro (EUR)

Market key

a) Futures exchanges

EURX European Exchange (EUREX)

Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0028% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	11,540.03
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0109% p.a. is due to the depository based on the average net asset value, and 0.0424% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund;
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) | Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Europe 600 Utilities UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 2,169,650.58 is broken down as follows:

a) Compensation payments:	EUR	1,698,355.79
b) Income from withholding tax refunds/claims:	EUR	420,443.14
c) Other income:	EUR	50,851.65

Other expenses amounting to EUR 115,267.22 are broken down as follows:

a) Bank custody fees:	EUR	48,369.08
b) Other expenditure:	EUR	66,898.14

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 73,214.89.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.77 percentage points
Annual tracking difference level	0.21 percentage points

The STOXX® Europe 600 Utilities Index (Net Total Return Index) posted a performance of 1.16% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Europe 600 UCITS ETF (DE) recorded a performance of 1.37% during the same period.

Annual report for iShares STOXX Europe 600 Utilities UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees. being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 28,723.32
Income share as % of gross income	59.82
Absolute cost share	EUR 11,540.03

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Statement of Net Assets as at 28/02/2018

Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals in the reporting period	Price	Market value in EUR	% of the sub- fund assets ⁶⁵⁾
Securities								1,179,063,094.56	99.39
Exchange-traded securities								1,179,063,094.56	99.39
Shares								1,179,063,094.56	99.39
Allianz SE vink.Namens-Aktien o.N.	DE0008404005		Units	68,686	8,825	10,372	EUR 192.020	13,189,085.72	1.11
Altria Group Inc. Registered Shares DL -.333	US02209S1033		Units	109,018	13,971	17,955	USD 62.950	5,626,761.92	0.47
American Electric Power Co. Inc Registered Shares DL 6.50	US0255371017		Units	138,587	39,182	10,301	USD 65.580	7,451,753.85	0.63
Aozora Bank Ltd. Registered Shares o.N.	JP3711200000		Units	345,500	3,677,600	3,332,100	JPY 4,395.000	11,667,740.33	0.98
Ascendas Real Estate Inv.Trust Registered Units o.N.	SG1M77906915		Units	11,378,084	1,467,300	2,131,500	SGD 2.650	18,688,265.82	1.58
Assicurazioni Generali S.p.A. Azioni nom. EO 1	IT0000062072		Units	956,518	1,032,381	75,863	EUR 15.440	14,768,637.92	1.24
AstraZeneca PLC Registered Shares DL -.25	GB0009895292		Units	303,519	91,812	24,065	GBP 47.750	16,372,916.12	1.38
AT & T Inc. Registered Shares DL 1	US00206R1023		Units	285,140	43,300	21,222	USD 36.300	8,486,514.65	0.72
Australia & N. Z. Bkg Grp Ltd. Registered Shares o.N.	AU000000ANZ3		Units	791,607	106,175	493,907	AUD 29.050	14,692,552.17	1.24
BAE Systems PLC Registered Shares LS -.025	GB0002634946		Units	1,576,215	201,583	221,848	GBP 5.794	10,317,173.29	0.87
Banco Santander S.A. Acciones Nom. EO 0.50	ES0113900J37		Units	2,060,567	457,688	979,253	EUR 5.667	11,677,233.19	0.98
Bank of Montreal Registered Shares CD 2	CA0636711016		Units	125,741	16,493	51,604	CAD 97.440	7,839,908.75	0.66
Bank of Nova Scotia, The Registered Shares o.N.	CA0641491075		Units	179,458	23,601	80,796	CAD 79.500	9,129,074.99	0.77
Bendigo & Adelaide Bank Ltd. Registered Shares o.N.	AU000000BEN6		Units	2,288,254	304,523	1,226,753	AUD 11.340	16,579,016.50	1.40
Canadian Imperial Bk of Comm. Registered Shares o.N.CA1360691010			Units	134,521	17,393	34,780	CAD 117.200	10,088,219.46	0.85
CapitaLand Mall Trust Registered Units o.N.	SG1M51904654		Units	15,123,884	7,116,600	1,200,300	SGD 2.020	18,935,147.84	1.60
Casino,Guichard-Perrachon S.A. Actions Port. EO 1.53	FR0000125585		Units	305,876	330,134	24,258	EUR 44.620	13,648,187.12	1.15
CLP Holdings Ltd. Registered Shares o.N.	HK0002007356		Units	1,270,499	167,500	136,500	HKD 79.100	10,529,661.48	0.89
CNP Assurances S.A. Actions Port. EO 1	FR0000120222		Units	574,619	75,308	233,923	EUR 20.000	11,492,380.00	0.97
Consolidated Edison Inc. Registered Shares DL -.01	US2091151041		Units	121,617	29,052	9,037	USD 74.890	7,467,628.62	0.63
Cummins Inc. Registered Shares DL 2.50	US2310211063		Units	47,296	6,374	34,491	USD 168.170	6,521,350.33	0.55
Darden Restaurants Inc. Registered Shares o.N.	US2371941053		Units	101,686	18,787	7,572	USD 92.190	7,686,162.71	0.65
DBS Group Holdings Ltd. Registered Shares SD 1	SG1L01001701		Units	873,320	109,500	348,991	SGD 28.700	15,534,929.83	1.31
Deutsche Post AG Namens-Aktien o.N.	DE0005552004		Units	289,002	38,720	176,548	EUR 37.640	10,878,035.28	0.92
DTE Energy Co. Registered Shares o.N.	US2333311072		Units	83,232	12,937	6,201	USD 100.780	6,877,479.10	0.58
Duke Energy Corp. (New) Registered Shares New DL -.001	US26441C2044		Units	131,972	30,280	9,827	USD 75.340	8,152,147.12	0.69
Eaton Corporation PLC Registered Shares DL -.01	IE00B8KQN827		Units	118,763	15,320	27,793	USD 80.700	7,858,131.44	0.66
Exelon Corp. Registered Shares o.N.	US30161N1019		Units	254,327	53,356	18,908	USD 37.040	7,723,747.03	0.65
Fletcher Building Ltd. Registered Shares o.N.	NZFBUE0001S0		Units	2,212,485	284,199	415,757	NZD 6.510	8,529,302.38	0.72
Foncière des Régions S.A. Actions Port. EO 3	FR0000064578		Units	173,793	59,858	13,801	EUR 85.950	14,937,508.35	1.26
Ford Motor Co. Registered Shares DL 0.01	US3453708600		Units	977,106	1,049,829	72,723	USD 10.610	8,500,053.49	0.72
Fortum Oyj Registered Shares EO 3.40	FI0009007132		Units	1,253,447	161,021	99,397	EUR 18.050	22,624,718.35	1.91
GlaxoSmithKline PLC Registered Shares LS -.25	GB0009252882		Units	866,801	136,798	68,753	GBP 13.072	12,800,537.94	1.08
GPT Group Registered Units o.N.	AU000000GPT8		Units	3,327,921	1,164,736	247,632	AUD 4.760	10,120,953.74	0.85
Great-West Lifeco Inc. Registered Shares o.N.	CA39138C1068		Units	408,800	124,249	30,402	CAD 33.860	8,857,163.54	0.75
HP Inc. Registered Shares DL -.01	US40434L1052		Units	448,944	61,402	400,230	USD 23.390	8,609,679.57	0.73
Insurance Australia Group Ltd. Registered Shares o.N.	AU000000IAG3		Units	3,419,954	443,118	818,710	AUD 8.200	17,917,425.03	1.51
Intel Corp. Registered Shares DL 0.001	US4581401001		Units	204,539	26,295	39,885	USD 49.290	8,266,078.80	0.70
Intesa Sanpaolo S.p.A. Azioni Port.Risp.Non Cnv.EO-52	IT00000072626		Units	6,452,680	6,734,932	282,252	EUR 3.276	21,138,979.68	1.78
Intl Business Machines Corp. Registered Shares DL 0.20	US4592001014		Units	70,677	73,442	2,765	USD 155.830	9,030,125.21	0.76
Invesco Ltd. Registered Shares DL -.10	BMG491BT1088		Units	275,032	35,149	36,606	USD 32.540	7,337,791.55	0.62
Jardine Cycle & Carriage Ltd. Registered Shares SD 1	SG1B51001017		Units	291,181	64,800	18,900	SGD 37.170	6,708,255.38	0.57
Keppel Corp. Ltd. Registered Subd. Shares SD 0.25	SG1U68934629		Units	2,224,110	308,500	2,339,300	SGD 8.020	11,055,658.73	0.93
Kohl's Corp. Registered Shares DL 0.01	US5002551043		Units	329,391	187,495	26,129	USD 66.090	17,848,925.44	1.50

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Designation of class of security	ISIN	Market	Units, shares or currency in	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub-fund assets ⁶⁵⁾	
Kon. Boskalis Westminster N.V. Cert.v.Aandelen EO 0.01	NL0000852580		Units	403,269	113,384	31,971	EUR	31.000	12,501,339.00	1.05
L Brands Inc. Registered Shares DL 0.50	US5017971046		Units	231,295	249,642	18,347	USD	49.330	9,354,960.43	0.79
Li & Fung Ltd. Registered Shares HD-.0125	BMG5485F1692		Units	58,553,684	29,048,000	4,660,000	HKD	3.950	24,233,431.67	2.04
Link Real Estate Investment Tr Registered Units o.N.	HK0823032773		Units	2,242,516	293,000	176,000	HKD	66.900	15,719,012.76	1.33
Lyondellbasell Industries NV Registered Shares A EO -.04	NL0009434992		Units	148,092	156,856	8,764	USD	108.220	13,140,252.87	1.11
Mattel Inc. Registered Shares DL 1	US5770811025		Units	597,768	372,658	44,479	USD	15.900	7,792,815.27	0.66
Merck & Co. Inc. Registered Shares DL-.01	US58933Y1055		Units	110,458	14,394	37,947	USD	54.220	4,910,449.89	0.41
Münchener Rückvers.-Ges. AG vink.Namens-Aktien o.N.	DE0008430026		Units	67,491	26,017	5,189	EUR	184.100	12,425,093.10	1.05
National Australia Bank Ltd. Registered Shares o.N.	AU000000NAB4		Units	910,606	119,051	308,965	AUD	30.180	17,558,654.04	1.48
National Bank of Canada Registered Shares o.N.	CA6330671034		Units	248,144	33,448	179,869	CAD	62.260	9,885,752.14	0.83
New World Development Co. Ltd. Registered Shares o.N.	HK0017000149		Units	12,323,331	1,669,000	8,854,000	HKD	11.920	15,391,040.02	1.30
CLP Holdings Ltd. Registered Shares HD 1	BMG668971101		Units	9,547,192	1,247,000	2,053,000	HKD	14.760	14,764,733.50	1.24
PCCW Ltd. Reg. Cons. Shares o.N.	HK0008011667		Units	36,184,482	16,460,000	2,864,000	HKD	4.460	16,909,112.63	1.43
Power Assets Holdings Ltd. Registered Shares o.N.	HK0006000050		Units	1,617,760	732,500	147,500	HKD	66.550	11,280,432.50	0.95
Power Corporation of Canada Reg. Shares (Sub. Vtg) o.N.	CA7392391016		Units	507,672	134,707	37,797	CAD	30.410	9,878,623.96	0.83
Power Financial Corp. Registered Shares o.N.	CA73927C1005		Units	474,923	96,922	35,335	CAD	33.500	10,180,399.76	0.86
PPL Corp. Registered Shares DL 0.01	US69351T1060		Units	303,184	95,270	22,564	USD	28.650	7,121,893.90	0.60
Proximus S.A. Actions au Porteur o.N.	BE0003810273		Units	454,054	174,204	36,018	EUR	26.390	11,982,485.06	1.01
Prudential Financial Inc. Registered Shares DL -.01	US7443201022		Units	62,361	8,615	62,702	USD	106.320	5,436,165.04	0.46
PSP Swiss Property AG Nam.-Aktien SF 0.10	CH0018294154		Units	121,617	15,514	13,991	CHF	89.750	9,469,750.86	0.80
Public Service Ent. Group Inc. Registered Shares o.N.	US7445731067		Units	217,357	67,954	16,173	USD	48.430	8,630,832.63	0.73
Riocan Real Estate Inv. Trust Reg. Trust Units o.N.	CA7669101031		Units	760,441	253,876	60,307	CAD	23.490	11,429,977.19	0.96
Rogers Communications Inc. Reg. Shares Class B CD 1.62478	CA7751092007		Units	227,008	34,085	16,892	CAD	57.820	8,398,777.43	0.71
Royal Dutch Shell Reg. Shares Class B EO -.07	GB00B03MM408		Units	951,609	142,277	75,452	GBP	23.210	24,951,718.35	2.10
S'pore Telecommunications Ltd. Registered Shares SD -.15	-SG1T75931496		Units	5,855,155	1,547,500	463,400	SGD	3.380	12,266,173.12	1.03
Sainsbury PLC, J. Registered Shs LS -.28571428	GB00B019KW72		Units	4,976,027	1,878,625	394,621	GBP	2.590	14,559,594.20	1.23
SCANA Corp. Registered Shares o.N.	US80589M1027		Units	133,781	41,003	9,959	USD	39.670	4,351,322.11	0.37
SCOR SE Act.au Porteur EO 7.8769723	FR0010411983		Units	330,908	92,886	24,632	EUR	34.990	11,578,470.92	0.98
Seagate Technology PLC Registered Shares DL -.00001	IE00B58JVZ52		Units	285,677	38,421	198,622	USD	53.400	12,507,805.76	1.05
Shaw Communications Inc. Reg.N-Vtg Part.Shs B o.N.	CA82028K2002		Units	571,825	73,188	84,899	CAD	24.840	9,088,904.76	0.77
Singapore Press Holdings Ltd. Registered Shares SD -.20	SG1P66918738		Units	5,349,470	2,132,900	-	SGD	2.600	8,620,611.98	0.73
Sino Land Co. Ltd. Registered Shares o.N.	HK0083000502		Units	8,072,102	1,102,000	1,788,000	HKD	13.840	11,705,401.90	0.99
Skandinaviska Enskilda Banken Namn-Aktier A (fria) SK SE0000148884 10	SE0000148884		Units	1,164,503	149,115	151,804	SEK	97.920	11,283,865.20	0.95
Snam S.p.A. Azioni nom. o.N.	IT0003153415		Units	4,332,678	2,828,139	343,597	EUR	3.681	15,948,587.72	1.34
Société Générale S.A. Actions Port. EO 1.25	FR0000130809		Units	269,352	35,019	74,088	EUR	47.120	12,691,866.24	1.07
Southern Co., The Registered Shares DL 5	US8425871071		Units	227,064	68,802	16,895	USD	43.060	8,016,538.90	0.68
SSE PLC Shs LS-.50	GB0007908733		Units	1,142,491	374,814	90,610	GBP	12.250	15,810,865.88	1.33
Stockland Reg. Stapled Secs o.N.	AU000000SGP0		Units	3,859,208	630,529	302,419	AUD	4.040	9,961,414.93	0.84
Suncorp-Metway Ltd. Registered Shares o.N.	AU000000SUN6		Units	1,925,123	246,677	227,668	AUD	13.560	16,678,602.22	1.41
Suntec Real Estate Inv. Trust Registered Units o.N.	SG1Q52922370		Units	15,609,608	4,134,700	1,238,700	SGD	1.980	19,156,280.17	1.61
Swire Pacific Ltd. Registered Shares Cl.A o.N.	HK0019000162		Units	1,699,905	456,000	144,000	HKD	79.200	14,106,310.24	1.19
Swiss Prime Site AG Nam.-Aktien SF 15.3	CH0008038389		Units	179,668	42,734	7,931	CHF	88.400	13,779,479.35	1.16
Swiss Re AG Namens-Aktien SF -.10	CH0126881561		Units	143,922	18,596	36,588	CHF	96.500	12,049,369.12	1.02
Swisscom AG Namens-Aktien SF 1	CH0008742519		Units	26,747	13,050	2,116	CHF	512.000	11,881,050.68	1.00
Sydney Airport Reg. Stapled Securities o.N.	AU000000SYD9		Units	2,857,513	1,506,738	226,602	AUD	6.590	12,031,370.71	1.01
Target Corp. Registered Shares DL 0.0833	US87612E1064		Units	188,669	202,705	14,036	USD	75.410	11,665,250.87	0.98
Telstra Corp. Ltd. Registered Shares o.N.	AU000000TLS2		Units	6,714,602	7,247,076	532,474	AUD	3.350	14,371,647.66	1.21
Thai Beverage PCL Reg. Shares (Foreign) BA 1	TH0902010014		Units	12,476,989	1,635,000	5,046,500	SGD	0.835	6,457,289.55	0.54
Total S.A. Actions au Porteur EO 2.50	FR0000120271		Units	267,003	36,714	21,164	EUR	46.970	12,541,130.91	1.06
Unibail-Rodamco SE Actions Port. EO 5	FR0000124711		Units	52,516	25,462	3,898	EUR	191.750	10,069,943.00	0.85

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Designation of class of security	ISIN	Market	Units, shares or currency in 1,000	As at 28/02/2018	Purchases/ Additions in the reporting period	Sales/ Disposals	Price	Market value in EUR	% of the sub- fund assets ⁶⁵⁾
United Overseas Bank Ltd. Registered Shares SD 1	SG1M31001969		Units	784,649	96,700	155,800	SGD 27.890	13,563,692.43	1.14
United Utilities Group PLC Registered Shares LS -.05	GB00B39J2M42		Units	1,203,086	401,917	89,516	GBP 6.662	9,054,575.19	0.76
Valero Energy Corp. Registered Shares DL 0.01	US91913Y1001		Units	157,357	169,826	12,469	USD 90.420	11,665,817.14	0.98
Verizon Communications Inc. Registered Shares DL -.10US92343V1044			Units	240,863	93,642	17,912	USD 47.740	9,427,946.31	0.79
WestRock Co. Registered Shares DL -.01	US96145D1054		Units	149,119	20,204	116,903	USD 65.760	8,040,061.71	0.68
Zurich Insurance Group AG Nam.-Aktien SF 0.10	CH0011075394		Units	61,404	8,331	45,892	CHF 312.000	16,621,149.92	1.40
Bank Accounts, Unsecuritised Money Market Instruments and Money Market Funds								2,582,616.86	0.22
Bank accounts								2,582,616.86	0.22
EUR balances								1,494,525.82	0.13
Depository: State Street Bank International GmbH		EUR		1,494,525.82			% 100.000	1,494,525.82	0.13
Balances in other EU/EEA currencies								29.49	0.00
Depository: State Street Bank International GmbH		GBP		0.31			% 100.000	0.35	0.00
		SEK		294.48			% 100.000	29.14	0.00
Non-EU/EEA currencies								1,088,061.55	0.09
Depository: State Street Bank International GmbH		AUD		520,055.17			% 100.000	332,269.82	0.03
		CAD		148,874.52			% 100.000	95,261.45	0.01
		CHF		0.11			% 100.000	0.10	0.00
		SGD		781,085.75			% 100.000	484,119.65	0.04
		THB		5,330,683.65			% 100.000	139,237.49	0.01
		USD		45,338.12			% 100.000	37,173.04	0.00
Other assets								5,015,526.25	0.42
Dividend claims		AUD		1,858,919.35				1,187,687.07	0.10
		CAD		203,609.41				130,285.08	0.01
		GBP		946,068.49				1,068,782.55	0.09
		JPY		15,277,174.00				117,387.77	0.01
		USD		1,554,363.21				1,274,433.28	0.11
Withholding tax reimbursement claims		CHF		870,090.05				754,873.21	0.06
		EUR		480,486.61				480,486.61	0.04
		JPY		207,015.00				1,590.68	0.00
Liabilities arising from loans								-78.61	-0.00
Loans in non-EU/EEA currencies								-78.61	-0.00
		HKD		-750.28			% 100.000	-78.61	-0.00
Other liabilities								-418,851.79	-0.04
Management fee		EUR		-408,537.48				-408,537.48	-0.03
Other liabilities		EUR		-10,314.31				-10,314.31	-0.00
sub-funds							EUR	1,186,242,307.27	100.00
Share value							EUR	26.51	
Shares in circulation							Units	44,750,000	

65) Rounding of percentages during the calculation may result in slight rounding differences.

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**Transactions during the reporting period, insofar as these no longer appear in the assets listed:
Securities purchases and sales, investment units and bonds (market allocation on the reporting date)**

	ISIN	Units, shares or currency in 1,000s	Purchases/ Additions	Sales/ Disposals
Securities				
Exchange-traded securities				
Shares				
Banco Santander S.A. Acciones Nom. Em. 7/17 EO 0.50	ES0113902300	Units	190,547	190,547
Banco Santander S.A. Anrechte	ES06139009Q9	Units	2,104,475	2,104,475
Banco Santander S.A. Anrechte	ES06139009P1	Units	1,905,472	1,905,472
BB Biotech AG Namens-Aktien SF 0.20	CH0038389992	Units	4,006	338,204
Carillion PLC Registered Shares LS -.50	GB0007365546	Units	52,558	4,439,257
Chevron Corp. Registered Shares DL 0.75	US1667641005	Units	1,270	107,164
EasyJet PLC Registered Shares LS-.27285714	GB00B7KR2P84	Units	1,852,733	1,852,733
Entergy Corp. Registered Shares DL 0.01	US29364G1031	Units	1,920	162,201
FirstEnergy Corp. Registered Shares DL 10	US3379321074	Units	2,780	234,723
Helmerich & Payne Inc. Registered Shares DL -.10	US4234521015	Units	1,946	164,438
Mosaic Co., The Registered Shares DL -.01	US61945C1036	Units	58,379	330,105
Pearson PLC Registered Shares LS -.25	GB0006776081	Units	15,442	1,304,630
PG & E Corp. Registered Shares o.N.	US69331C1080	Units	210,440	210,440
Reynolds American Inc. Registered Shares o.N.	US7617131062	Units	19,428	143,910
Sky Network Television Ltd. Registered Shares o.N.	NZSKTE0001S6	Units	70,956	5,993,802
Tokai Tokyo Finl Holdings Inc. Registered Shares o.N.	JP3577600004	Units	28,000	2,379,300

Securities loans (trading volume valued on the basis of the value agreed when the loan transaction was concluded):

Designation of class of security	Volume in 1,000
Unlimited	EUR 168,314

Underlyings:

Bendigo & Adelaide Bank Ltd. Registered Shares o.N. (AU000000BEN6), Carillion PLC Registered Shares LS -.50 (GB0007365546), EasyJet PLC Registered Shares PD, 27285714 (GB00B7KR2P84), Insurance Australia Group Ltd. Registered Shares o.N. (AU000000IAG3), Intesa Sanpaolo S.p.A. Azioni Port.Risp.Non Cnv.EO-52 (IT0000072626), National Australia Bank Ltd. Registered Shares o.N. (AU000000NAB4), Royal Dutch Shell Reg. Shares Class B EO -.07 (GB00B03MM408), SSE PLC Shs LS -.50 (GB0007908733)

Annual report for iShares STOXX Global Select Dividend 100 UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Profit and Loss Account (incl. Income Adjustment) for the period from 01/03/2017 to 28/02/2018

I. Income		
1. Dividends from domestic issuers	EUR	1,125,192.19
2. Dividends from foreign issuers (before withholding tax) ⁶⁶⁾	EUR	65,022,989.11
3. Interest from domestic liquidity investments	EUR	1,983.79
4. Income from securities lending and securities repurchase agreements	EUR	45,151.70
5. Deduction of foreign withholding tax	EUR	-5,778,744.15
6. Other income	EUR	4,404,980.03
Total income	EUR	64,821,552.67
II. Expenses		
1. Interest from borrowings	EUR	-2,058.61
2. Management fee	EUR	-5,513,762.08
3. Other expenses	EUR	-173,913.56
Total expenses	EUR	-5,689,734.25
III. Ordinary net income	EUR	59,131,818.42
IV. Disposals		
1. Realised gains	EUR	46,960,808.86
2. Realised losses	EUR	-27,036,165.59
Gain/loss on disposals	EUR	19,924,643.27
V. Annual realised results	EUR	79,056,461.69
1. Net change in unrealised gains	EUR	-64,310,103.54
2. Net change in unrealised losses	EUR	-58,326,604.04
VI. Annual unrealised results	EUR	-122,636,707.58
VII. Result for the financial year	EUR	-43,580,245.89

66) Includes dividends within the meaning of Section 19 Paragraph 1 of the German REIT Act amounting to EUR 17,512,378.72

Change in sub-fund assets

		2017/2018
I. Value of sub-fund assets at beginning of the financial year		EUR 1,210,628,934.25
1. Distribution for the previous year	EUR	-12,971,664.00
2. Interim distributions	EUR	-49,225,865.95
3. Inflow/outflow of funds (net)	EUR	82,084,600.00
a) Inflow of funds from sale of equities	EUR	145,727,125.00
b) Outflow of funds from redemption of equities	EUR	-63,642,525.00
4. Income adjustment/cost compensation	EUR	-693,451.14
5. Result for the financial year	EUR	-43,580,245.89
of which unrealised gains	EUR	-64,310,103.54
of which unrealised losses	EUR	-58,326,604.04
II. Value of sub-fund assets at end of financial year	EUR	1,186,242,307.27

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Annual report for iShares STOXX Global Select Dividend 100 UCITS ETF (DE) for the reporting period from 01/03/2017 to 28/02/2018

Use of income of the sub-fund.

Calculation of distribution (total and per share)

		Total	Per share
I. Available for distribution	EUR	300,026,125.65	6.70
1. Carryforward from the previous year ⁶⁷⁾	EUR	193,933,498.37	4.33
2. Realised net income for the financial year	EUR	79,056,461.69	1.77
3. Transfer from sub-fund assets ⁶⁸⁾	EUR	27,036,165.59	0.60
II. Not used for distribution	EUR	-246,584,630.70	-5.51
1. Reinvested	EUR	-68,648,284.61	-1.53
2. Carryforward to new account	EUR	-177,936,346.09	-3.98
III. Total pay-out	EUR	53,441,494.95	1.19
1. Interim distribution	EUR	49,225,865.95	1.10
2. Final year-end distribution	EUR	4,215,629.00	0.09

67) Difference from the previous year because of income adjustment calculated on carryforwards.

68) Transfer in the amount of the realised losses of the financial year.

Due to the German Investment Tax Reform, all ordinary income accrued by each fund up to the end of the calendar year 2017 on 31/12/2017 was retained. The resulting tax liquidity, which is paid from the fund, is recorded as "interim distribution" for transparency purposes.

Comparative overview of the last three financial years

Financial year		Sub-fund assets at the end of the financial year	Share value
2017/2018	EUR	1,186,242,307.27	26.51
2016/2017	EUR	1,210,628,934.25	28.93
2015/2016	EUR	871,624,888.80	25.01
2014/2015	EUR	978,150,175.15	28.15

Notes

Information pursuant to the German Derivatives Ordinance [Derivateverordnung, DerivateV]:

Pursuant to the German Derivatives Ordinance, the utilisation of the market risk ceiling for this sub-fund was calculated in accordance with the simple approach.

**Annual report for iShares STOXX Global Select Dividend 100 UCITS ETF (DE)
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Notes

Other information

Number of fund units in circulation and value of a fund unit on the reporting date pursuant to Section 16 Para. 1 No. 1 of the German Capital Investment Accounting and Valuation Ordinance (KARBV)

Share value	EUR	26.51
Shares in circulation	Units	44,750,000

Information on the valuation process for assets pursuant to Article 16 Para. 1 No. 2 KARBV

Security prices and market prices

The sub-fund assets are valued on the basis of the following market prices:

All securities: Closing prices on the respective valuation dates

The valuation of assets generally took place during the financial year and at the balance sheet date on the basis of the last traded stock exchange price. Assets not admitted for trading on stock exchanges nor admitted to another regulated market or included in such market, or for which no tradable value is available, are valued at current market values, which shall be assessed with due care using appropriate valuation models and taking into consideration current market conditions.

Money in bank accounts and existing receivables are valued at their current nominal value. Existing liabilities are reported at the amounts payable.

Exchange Rate(s) or Conversion Factor(s) (bulk quoting) as at 28/02/2018

Australian dollar	(AUD)	1.56516 = 1 euro (EUR)
Baht (Thailand)	(THB)	38.28483 = 1 euro (EUR)
British pound sterling	(GBP)	0.88518 = 1 euro (EUR)
Hong Kong dollar	(HKD)	9.54413 = 1 euro (EUR)
Japanese yen	(JPY)	130.14281 = 1 euro (EUR)
Canadian dollar	(CAD)	1.56280 = 1 euro (EUR)
New Zealand dollar	(NZD)	1.68868 = 1 euro (EUR)
Swedish kronor	(SEK)	10.10541 = 1 euro (EUR)
Swiss francs	(CHF)	1.15263 = 1 euro (EUR)
Singapore dollar	(SGD)	1.61341 = 1 euro (EUR)
US dollar	(USD)	1.21965 = 1 euro (EUR)

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Information on transparency and the total expense ratio (TER) pursuant to Article 16 Para. 1 No. 3 KARBV

Total expense ratio pursuant to Article 101 Para. 2 of the German Investment Code (KAGB): 0.46%.

The total expense ratio expresses all costs and payments (not including transaction costs) borne by the sub-fund during the year in relation to the average net asset value of the sub-fund's assets.

A fee of 0.0013% p.a. of average fund assets was also incurred due to **additional income from securities lending transactions**.

Performance-related or a supplementary management fee pursuant to Article 16 Para. 1 No. 3 a) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV")

a) Fixed fee from lending income:	EUR	16,743.33
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In accordance with the terms and conditions of investment, a fixed fee of 0.45% p.a. based on the average net asset value and payable to the investment management company has been agreed for the investment fund. This fixed fee covers services rendered by the company, in particular the expenses of the depository, costs of legally required printing, mailings and publications associated with the sub-fund, and for the auditing of the annual report. Of this amount, 0.0141% p.a. is due to the depository based on the average net asset value, and 0.0579% p.a. to third parties (printing and publication expenses, auditing and miscellaneous costs). The company does not pay any fees to brokers.

The following expenses are not included in the fixed fee:

- Expenses resulting from the purchase and sale of assets (transaction costs);
- Customary bank custody fees, including the customary bank charges for the custody of foreign securities abroad and related taxes, if applicable;
- Expenses related to day-to-day account management;
- Expenses incurred in the assertion and enforcement of the legal claims of the sub-fund,
- Expenses for providing information to investors of the sub-fund by means of a durable medium, with the exception of expenses for providing information in the case of fund mergers.

Details of the fee structure are provided in the current sales prospectus.

Expenses paid and repayments received pursuant to Section 16 Para. 1 No. 3c) KARBV

In the reporting period from 01/03/2017 to 28/02/2018, the investment management company iShares (DE) I Investment Stock Company with Sub-funds for the sub-fund iShares STOXX Global Select Dividend 100 UCITS ETF (DE) received no reimbursement of the depository or remuneration and expenses paid from the sub-fund to the custodian or third parties.

Information concerning other income and other expenses pursuant to Section 16 Para. 1 No. 3e) KARBV

Other income amounting to EUR 4,404,980.03 is broken down as follows:

a) Compensation payments:	EUR	3,787,841.49
b) Income from withholding tax refunds/claims:	EUR	617,138.54

Other expenses amounting to EUR 173,913.56 are broken down as follows:

a) Bank custody fees:	EUR	145,328.96
b) Other expenditure:	EUR	28,584.60

Information concerning transaction costs pursuant to Section 16 Para. 1 No. 3f) KARBV

The **transaction costs** pursuant to Article 16 Para. 1 No. 3 f) of the German Capital Investment Accounting and Valuation Ordinance ("KARBV") paid during the reporting period totalled EUR 485,515.45.

Transaction costs take into account all costs that were separately recognised or invoiced for the account of the sub-fund and that are in direct connection with the purchase or sale of assets.

The share of the securities transactions executed during the reporting period for account of the sub-fund through brokers that are closely affiliated companies and persons was 0.00%. Their total amount was EUR 0.00.

Index fund information pursuant to Article 16 Para. 2 KARBV

Tracking error level at the end of the reporting period pursuant to Section 16 Para. 2 No. 1 KARBV	0.35 percentage points
Annual tracking difference level	-0.09 percentage points

The STOXX® Global Select Dividend 100 Index (Net Total Return Index) posted a performance of -3.56% during the reporting period. Taking into account costs, distributions and taxes, iShares STOXX Global Select Dividend 100 UCITS ETF (DE) recorded a performance of -3.65% during the same period.

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Information on staff remuneration pursuant to Section 101 Para. 4 KAGB

The below disclosures are made in respect of the remuneration policies of the BlackRock Group ("BlackRock"), as they apply to BlackRock Asset Management Deutschland AG (the "Manager"). The disclosures are made in accordance with Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities ("UCITS"), as amended, including in particular by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014, (the "Directive"), and the "Guidelines on sound remuneration policies under the UCITS Directive and AIFMD" issued by the European Securities and Markets Authority.

BlackRock's UCITS Remuneration Policy (the "UCITS Remuneration Policy") will apply to the EEA entities within the BlackRock group authorised as a manager of UCITS funds in accordance with the Directive, and will ensure compliance with the requirements of Article 14b of the Directive.

The Manager has adopted the UCITS Remuneration Policy, a summary of which is set out below.

Role of the Remuneration Committees

The regulatory remuneration structure of BlackRock EMEA comprises several stages, including (a) the Management Development and Compensation Committee ("MDCC") (which consists of the global and independent Compensation Committee for BlackRock, Inc. and all its subsidiaries, including the Management Board) and (b) the Board of Directors of BlackRock, Inc. (the "Board of Directors"). These bodies are responsible for the determination of the Manager's remuneration policies.

a) MDCC

The MDCC's primary purposes include:

- to provide oversight of:
 - BlackRock executives' compensation programs;
 - BlackRock employee benefit plans; and
 - any other compensation plans which may be occasionally established by BlackRock, as the MDCC's manager;
- the review and consideration of the compensation performance and analysis in the annual BlackRock, Inc. Proxy Statement with senior management and approval of the MDCC report to be included in the Proxy Statement;
- the review, assessment and preparation of reports and recommendations to the Board of Directors of BlackRock, Inc. ("the BlackRock, Inc. Board of Directors") in accordance with talent development and succession planning, with a focus on Corporate Governance Performance recognition and succession at the highest management levels; and
- to act as a compensation committee for BlackRock companies based in EMEA, in accordance with applicable UK and European rules and regulations.

The MDCC directly retains its own independent compensation consultant, Semler Brossy Consulting Group LLC, which has no relationship with BlackRock, Inc. or the BlackRock, Inc. Board that would interfere with its ability to provide independent advice to the MDCC on compensation matters.

The BlackRock, Inc. Board has determined that all of the members of the MDCC are "independent" within the meaning of the listing standards of the New York Stock Exchange (NYSE), which require that each member meet a "non-employee director" standard. The MDCC held 10 meetings during 2017. The MDCC charter is available in English on BlackRock, Inc.'s website (www.blackrock.com).

With regular reviews, the MDCC continues to be satisfied with BlackRock's compensation policy and approach.

b) The Board of Directors

The Board of Directors has the task of ensuring compliance with the UCITS compensation guidelines applicable to the Management Board and all identified employees.

The Board of Directors (by means of independent reviews of the relevant oversight functions) continues to be satisfied with the implementation of the UCITS fee guidelines in its application to the Board and its identified employees.

Decision-making process

Compensation decisions for employees are made once a year in January following the end of the performance year. This timing allows full-year financial results to be considered along with other non-financial goals and objectives. Although the framework for compensation decision-making is tied to financial performance, significant discretion is used to determine individual compensation based on achievement of strategic and operating results and other considerations such as management and leadership capabilities.

No set formulas are established and no fixed benchmarks are used in determining annual incentive awards. In determining specific individual compensation amounts, a number of factors are considered including non-financial goals and objectives and overall financial and investment performance. These results are viewed in the aggregate without any specific weighting, and there is no direct correlation between any particular performance measure and the resulting annual incentive award. The variable remuneration granted to one or more persons for a given performance year may also be zero.

Annual incentive awards are generated from a bonus pool.

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The size of the projected bonus pool, including cash and equity awards, is reviewed throughout the year by the MDCC and the final total bonus pool is approved after year-end. As part of this review, the MDCC receives actual and projected financial information over the course of the year as well as final year-end information. The financial information that the MDCC receives and considers includes the current year projected income statement and other financial measures compared with prior year results and the current year budget. The MDCC additionally reviews other metrics of BlackRock's financial performance (e.g., net inflows of AUM and investment performance) as well as information regarding market conditions and competitive compensation levels.

The MDCC regularly considers management's recommendation as to the percentage of pre-incentive operating income that will be accrued and reflected as a compensation expense throughout the year for the cash portion of the total annual bonus pool (the "accrual rate"). The accrual rate for the cash portion of the total annual bonus pool may be modified by the MDCC during the year based on its review of the financial information described above. The MDCC does not apply any particular weighting or formula to the information it considers when determining the size of the total bonus pool or the accruals made for the cash portion of the total bonus pool.

Following the end of the performance year, the MDCC approves the final bonus pool amount.

As part of the year-end review process the Operational Risk and Regulatory Compliance departments report to the Committee on any activities, incidents or events that warrant consideration in making compensation decisions.

Individuals are not involved in setting their own remuneration.

Control functions

Each of the control functions (Enterprise Risk, Legal & Compliance, and Internal Audit) has its own organisational structure, which is independent of the business units. The directors of each control function are either members of the Global Executive Committee or BlackRock's global governing body or have a reporting obligation to the Board of Directors of BlackRock Group Limited, the parent company of all BlackRock entities overseen in EMEA, including the Management Board.

Functional bonus pools are determined with reference to the performance of each individual function. The remuneration of the senior members of control functions is directly overseen by the Committee.

Link between pay and performance

There is a clear and well defined pay-for-performance philosophy and compensation programmes which are designed to meet the key objectives as detailed below:

- distributing BlackRock's results appropriately among shareholders and employees;
- attracting, retaining and motivating employees capable of making significant contributions to the long-term success of the business;
- aligning the interests of senior employees with those of shareholders by awarding BlackRock, Inc. stock as a significant part of both annual and long-term incentive awards;
- controlling fixed costs by ensuring that compensation expense varies with profitability;
- linking a significant portion of an employee's total compensation to the financial and operational performance of the business as well as its common stock performance; and
- discouraging excessive risk-taking; and
- ensuring that customer interests are not negatively impacted by compensation in the short, medium and/or long term.

Driving a high-performance culture is dependent on the ability to measure performance against objectives, values and behaviours in a clear and consistent way. Managers use a 5-point rating scale to provide an overall assessment of an employee's performance, and employees also provide a self-evaluation. The overall, final rating is reconciled during each employee's performance appraisal. Employees are assessed on the manner in which performance is attained as well as the absolute performance itself.

In keeping with the pay-for-performance philosophy, ratings are used to differentiate and reward individual performance – but do not pre-determine compensation outcomes. Compensation decisions remain discretionary and are made as part of the year-end compensation process.

When setting remuneration levels other factors are considered, as well as individual performance, which may include:

- the performance of the Manager, the funds managed by the Manager and/or the relevant functional department;
- factors relevant to an employee individually; relationships with clients and colleagues; teamwork; skills; any conduct issues; and, subject to any applicable policy, the impact that any relevant leave of absence may have on contribution to the business;
- the management of risk within the risk profiles appropriate for BlackRock's clients;
- strategic business needs, including intentions regarding retention;
- market intelligence; and
- criticality to business.

A primary product tool is risk management and, while employees are compensated for strong performance in their management of client assets, they are required to manage risk within the risk profiles appropriate for their clients. Therefore, employees are not rewarded for engaging in high-risk transactions outside of established parameters. Compensation practices do not provide undue incentives for short-term planning or short-term financial rewards, do not reward unreasonable risk and provide a reasonable balance between the many and substantial risks inherent within the business of investment management, risk management and advisory services.

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The compensation model includes a basic salary, which is contractual, and a discretionary bonus scheme.

BlackRock uses an annual bonus system at its own discretion. Although all employees are eligible to be considered for a bonus, there is no contractual obligation to make any award to an employee under the discretionary bonus scheme. In exercising discretion to award a discretionary bonus, the factors listed above (under the heading "Link between pay and performance") may be taken into account in addition to any other matters which become relevant to the exercise of discretion in the course of the performance year.

Discretionary bonus awards for all employees, including executive officers, are subject to a guideline that determines the portion paid in cash and the portion paid in stock are subject to additional vesting/clawback conditions. The number of shares granted will continue to be adjusted during the vesting period, due to the change in the share price of BlackRock, Inc. For higher annual payments, a larger proportion will be paid in shares. The MDCC adopted this approach in 2006 to substantially increase the retention value and shareholder alignment of the compensation package for eligible employees, including the executive officers. The portion deferred into stock vests in equal instalments over the three years following grant.

In addition to the annual discretionary bonus described above, equity awards from the "Partner Plan" and the "Targeted Equity Award Plan" will be made to select senior executives to better link with future corporate results. These long-term incentive awards have been established individually to provide meaningful incentives for continued performance over a multi-year period in recognition of the scope of the individual's role, business expertise and leadership skills.

Selected senior leaders are eligible to receive performance-adjusted equity-based awards from the "BlackRock Performance Incentive Plan" ("BPIP"). Awards made from the BPIP have a three-year performance period based on a measurement of the adjusted operating margin* and organic revenue growth**. The pay-out amount will be determined based on BlackRock's achievement relative to target financial results at the conclusion of the performance period. The maximum number of shares that can be earned is 165% of the award in those situations where both metrics achieve pre-determined financial targets. No shares will be earned where BlackRock's financial performance in both of the above metrics is below a pre-determined performance threshold. These metrics have been selected as key measures of shareholder value which endure over market cycles.

A limited number of investment professionals have a portion of their annual discretionary bonus (as described above) awarded as deferred cash that notionally tracks investment in selected products managed by the relevant employee. The intention of these awards is to align investment professionals with the investment returns of the products they manage through the deferral of compensation into those products. Clients and external evaluators have increasingly viewed more favourably those products where key investors have "skin in the game" through significant personal investments.

Identified employees

The UCITS Remuneration Policy sets out the process that will be applied to identify staff as identified employees, being categories of staff of the Manager, including senior management, risk takers, control functions and any employee receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or of the funds it manages.

The list of Identified Staff will be subject to regular review, being formally reviewed in the event of, but not limited to:

- organisational changes;
- new business initiatives;
- changes to the lists of functions with significant influence;
- changes to the job description; and
- changes to the regulatory guidelines.

Numerical disclosure of the fee

The Manager is obliged, according to the Directive, to disclose numerical information on the remuneration. These disclosures are made in line with BlackRock's interpretation of currently available regulatory guidance on quantitative remuneration disclosures. As market or regulatory practice develops BlackRock may consider it appropriate to make changes to the way in which quantitative remuneration disclosures are calculated. Where such changes are made, this may result in disclosures in relation to a fund not being comparable to the disclosures made in the prior year, or in relation to other BlackRock fund disclosures in that same year.

Disclosures are provided in relation to (a) the staff of the Manager; (b) Board members; and (c) staff who have the ability to materially affect the risk profile of the Manager or the Fund.

All individuals included in the aggregated figures disclosed are rewarded in line with BlackRock's remuneration policy for their responsibilities across the relevant BlackRock business area. As all individuals have a number of areas of responsibilities, only the portion of remuneration for those individuals' services attributable to the Manager's UCITS activities is included in the aggregate figures disclosed.

* Adjusted operating margin: As reported in BlackRock, Inc.'s external filings, this reflects adjusted operating income divided by total revenue net of distribution and servicing expenses and amortisation of deferred sales commission.

** Organic revenue growth: Equal to net new base fees plus net new Aladdin revenue generated in the year (in dollars).

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for the reporting period from 01/03/2017 to 28/02/2018**

Members of staff and senior management of the Manager typically provide both UCITS and non-UCITS related services in respect of multiple funds, clients and functions of the Manager and across the broader BlackRock group. However, the figures disclosed are a sum of each individual's portion of remuneration attributable to the Manager's UCITS activities according to an objective apportionment methodology which acknowledges the multiple-service nature of the Manager. Accordingly the figures are not representative of any individual's actual remuneration or their remuneration structure.

The amount of the total remuneration awarded by the Manager to its staff which has been attributed to the Manager's UCITS activities in respect of the Manager's financial year ending 31 December 2017 is EUR 1.69 million. This figure is comprised of fixed remuneration of EUR 1.10 million and variable remuneration of EUR 0.59 million. According to the regulations described above this remuneration was made to a total of 22 employees.

The total remuneration paid by the Manager to the Management Board for the Manager's UCITS business in respect of the Manager's financial year ended 31 December 2017 was EUR 0.56 million, and that to those employees whose activities have a major impact on the risk profile of the Manager or fund was EUR 0.35 million.

Further information necessary for understanding the report pursuant to Section 7 No. 9 d) KARBV

Explanation of the calculation of net change in unrealised gains and losses

Determination of net change in unrealised gains and losses takes place by means of comparing, in each financial year, the valuations of assets included in the unit price with the relevant historical purchase prices, the level of the positive differences in the sum of unrealised gains included, the level of the negative differences in the sum of unrealised losses included and by determining the net changes from a comparison of the sum totals at the end of the financial year with those at the beginning.

Notes

Additional notes in accordance with Regulation (EU) 2015/2365 on securities financing transactions

Securities lending	
Income and cost shares	
Fund	
Absolute income share	EUR 45,151.70
Income share as % of gross income	62.92
Absolute cost share	EUR 16,743.33

Auditor's Report

For iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen, Munich

We have audited the annual financial statements – consisting of the balance sheet, the profit and loss account and the notes to the financial statements – including the accounting and the management report of iShares (DE) I Investment Stock Company with Sub-funds, Munich, for the financial year from 1 March 2017 to 28 February 2018. The audit also includes the information on the sub-funds “iShares I Founder Shares”, “iShares STOXX Europe 600 Automobiles & Parts UCITS ETF (DE)”, “iShares STOXX Europe 600 Banks UCITS ETF (DE)”, “iShares STOXX Europe 600 Basic Resources UCITS ETF (DE)”, “iShares STOXX Europe 600 Chemicals UCITS ETF (DE)”, “iShares STOXX Europe 600 Construction & Materials UCITS ETF (DE)”, “iShares STOXX Europe 600 Financial Services UCITS ETF (DE)”, “iShares STOXX Europe 600 Food & Beverage UCITS ETF (DE)”, “iShares STOXX Europe 600 Health Care UCITS ETF (DE)”, “iShares STOXX Europe 600 Industrial Goods & Services UCITS ETF (DE)”, “iShares STOXX Europe 600 Insurance UCITS ETF (DE)”, “iShares STOXX Europe 600 Media UCITS ETF (DE)”, “iShares STOXX Europe 600 Oil & Gas UCITS ETF (DE)”, “iShares STOXX Europe 600 Personal & Household Goods UCITS ETF (DE)”, “iShares STOXX Europe 600 Real Estate Cap UCITS ETF (DE)”, “iShares STOXX Europe 600 Retail UCITS ETF (DE)”, “iShares STOXX Europe 600 Technology UCITS ETF (DE)”, “iShares STOXX Europe 600 Telecommunications UCITS ETF (DE)”, “iShares STOXX Europe 600 Travel & Leisure UCITS ETF (DE)”, “iShares STOXX Europe 600 Utilities UCITS ETF (DE)”, “iShares STOXX Global Select Dividend 100 UCITS ETF (DE)”.

Responsibility of the legal representatives

The accounting and the preparation of the annual financial statements and management report in accordance with German commercial regulations, taking into account the provisions of the German Investment Code (KAGB) and the supplementary provisions of the Articles of Incorporation, are the responsibility of the Management Board of the Company.

Responsibility of the auditor

Our responsibility is to express an opinion on the annual financial statements including the accounting and on the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Art. 121 Para. 2 KAGB and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). These standards require the audit to be planned and performed in such a way that inaccuracies and infringements materially affecting the annual report are detected with reasonable assurance, taking into account the accounting regulations and the management report. Knowledge of the total company assets and sub-funds, the economic and legal environment of the Company, and the assessment of potential misstatements is taken into account when determining audit procedures. The effectiveness of the internal accounting control system and evidence supporting the disclosures in the annual financial statements and management report are examined primarily on a random sample basis within the framework of the audit. The audit consists of evaluating the accounting policies used and significant estimates made by the Management Board, as well as evaluating the overall presentation of the annual financial statements and the management report. We are of the opinion that our audit forms a reasonable basis for our audit assessment.

Opinion

In our opinion based on the knowledge gained during our audit, the annual financial statements for the financial year from 1 March 2017 to 28 February 2018 are in compliance with the statutory regulations and the supplementary provisions of the Articles of Association. The management report is consistent with the annual financial statements and conveys a true and fair overall view of the position of the Company and the sub-funds.

Munich, 18 May 2018

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft

Koch
Auditor

Rumpelt
Auditor

Management Company and Depository

Management Company

iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen
Lenbachplatz 1
D-80333 Munich

External Investment Management Company: BlackRock Asset Management Deutschland AG

Management

Dirk Schmitz*
Chairman
Frankfurt

Alexander Mertz**
Chairman
Munich

Harald Klug
Management Board
Munich

Peter Scharl***
Management Board
Munich

Christian Staub****
Chairman
Munich

Supervisory Board

Barry O'Dwyer (Chairman)
BlackRock, Managing Director
Dublin, Ireland

Thomas Fekete
BlackRock, Managing Director
London, United Kingdom

Harald Mährle
Managing partners, Raymond James Corporate Finance GmbH, Munich

Depository

State Street Bank International GmbH
Brienner Straße 59
80333 Munich, Germany

Auditor

Deloitte GmbH
Wirtschaftsprüfungsgesellschaft
Rosenheimer Platz 4
81669 Munich, Germany

(*) since 09/03/2018

(**) Chairman during the period from 31/10/2017 to 09/03/2018

(***) since 28/08/2017

(****) to 31/10/2017



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