



Listing: TSX (Toronto Stock Exchange)

Symbol: XQLT, XMTM, XVLU, XSMC, XSMH

RBC iShares Expands its Smart Beta Lineup with the addition of Five Single Factor ETFs

New Funds Provide Exposure to Four Historic Drivers of Return: Quality, Momentum, Value, and Size

Toronto, September 10, 2019 – Today, RBC iShares expanded its Smart Beta lineup with the launch of five U.S. single factor exchange traded funds (“ETF”); each ETF offers exposure to a distinct style of investing – Quality, Momentum, Value, and Size. The five ETFs (collectively the “iShares Factor ETFs”) are listed in the table below and are expected to begin trading on the Toronto Stock Exchange today; the new iShares Factor ETFs will be managed by BlackRock Asset Management Canada Limited (“BlackRock Canada”), an indirect wholly-owned subsidiary of BlackRock, Inc.

| Fund Name | Ticker | Management Fee¹ |
|---------------------------------------------------|---------------|-----------------------------------|
| iShares Edge MSCI USA Quality Factor Index ETF | XQLT | 0.30% |
| iShares Edge MSCI USA Momentum Factor Index ETF | XMTM | 0.30% |
| iShares Edge MSCI USA Value Factor Index ETF | XVLU | 0.30% |
| iShares S&P U.S. Small-Cap Index ETF | XSMC | 0.20% |
| iShares S&P U.S. Small-Cap Index ETF (CAD-Hedged) | XSMH | 0.20% |

The iShares Factor ETFs will allow investors to implement their market views, tilt portfolios, and diversify risk, using persistent long-term drivers of returns long employed in portfolio construction. XQLT, XMTM, and XVLU track indices which measure the performance of securities in their corresponding broad market benchmarks that exhibit higher quality, risk-adjusted price momentum, and value characteristics, respectively, as determined by the index provider. The addition of XSMC and XSMH further broadens RBC iShares’ comprehensive range of U.S. equity exposures, including total market, and large, mid, and small-capitalization exposure. The two new funds, XSMC and XSMH, will provide investors with low-cost access to the small-capitalization segment of the U.S. equity market.

Today’s launch complements iShares’ existing factor lineup, which includes the Minimum Volatility and Multi-Factor series of ETFs, products designed to reduce risk, enhance investment returns, and add diversification. Globally, iShares Smart Beta products have US\$156 billion in assets under management, as investors seek transparent, low-cost ways to manage risk and capture return potential.

¹ If applicable, BlackRock Canada or an affiliate is entitled to receive a fee for acting as manager of each ETF managed by BlackRock Canada or an affiliate (“iShares ETF”) in which this ETF may invest (an “underlying product fee” and together with the management fee payable to BlackRock Canada, the “total annual fee”). As the underlying product fees are embedded in the market value of the iShares ETFs in which this ETF may invest, any underlying product fees are borne indirectly by this ETF. BlackRock Canada will adjust the management fee payable to it by this ETF to ensure that the total annual fees paid directly or indirectly to BlackRock Canada and its affiliates by this ETF will not exceed the percentage of the net asset value set out in this table. The total annual fee is exclusive of HST. Any underlying product fees borne indirectly by this ETF are calculated and accrued daily and are paid not less than annually.

Pat Chiefalo, Managing Director, Head of iShares, BlackRock Canada:

“We know that modern portfolio construction is evolving as investors increasingly look across a range of strategies to achieve their investment objectives. Factor investing is playing a crucial part in this evolution, as advancements in data and technology have made it easier for investors to implement their views on the areas of the market they believe will outperform, in a low-cost, transparent way. We believe the launch of these five U.S. single factor ETFs will deliver more optionality to help investors achieve those goals.”

For more information about the RBC iShares ETF suite, investors and advisors are invited to visit rbcishares.com.

About BlackRock

BlackRock's purpose is to help more and more people experience financial well-being. As a fiduciary to investors and a leading provider of financial technology, our clients turn to us for the solutions they need when planning for their most important goals. As of June 30, 2019, the firm managed approximately US\$6.84 trillion in assets on behalf of investors worldwide. For additional information on BlackRock, please visit www.blackrock.com/ca | Twitter: @BlackRockCA | LinkedIn: www.linkedin.com/company/blackrock.

About iShares

iShares unlocks opportunity across markets to meet the evolving needs of investors. With more than twenty years of experience, a global line-up of 900+ exchange traded funds (ETFs) and US\$2 trillion in assets under management as of June 30, 2019, iShares continues to drive progress for the financial industry. iShares funds are powered by the expert portfolio and risk management of BlackRock, trusted to manage more money than any other investment firm².

About RBC Global Asset Management

RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) and includes institutional money managers BlueBay Asset Management and Phillips, Hager & North Investment Management. RBC GAM is a provider of global investment management services and solutions to institutional, high-net-worth and individual investors through separate accounts, pooled funds, mutual funds, hedge funds, exchange-traded funds and specialty investment strategies. The RBC GAM group of companies manage approximately \$450 billion in assets and have approximately 1,400 employees located across Canada, the United States, Europe and Asia.

RBC iShares ETFs are comprised of RBC ETFs managed by RBC Global Asset Management Inc. and iShares ETFs managed by BlackRock Asset Management Canada Limited. Commissions, trailing commissions, management fees and expenses all may be associated with investing in ETFs. Please read the relevant prospectus before investing. ETFs are not guaranteed, their values change frequently and past performance may not be repeated. Tax, investment and all other decisions should be made, as appropriate, only with guidance from a qualified professional.

MSCI is a trademark of MSCI, Inc. (“MSCI”). XQLT, XMTM and XVLU are permitted to use the MSCI mark pursuant to a license agreement between MSCI and BlackRock Institutional Trust Company, N.A., relating to, among other things, the license granted to BlackRock Institutional Trust Company, N.A. to use the indexes. BlackRock Institutional Trust Company, N.A. has sublicensed the use of this trademark to BlackRock Canada. XQLT, XMTM and XVLU are not sponsored,

² Based on US\$6.84 trillion in AUM as of 6/30/19

endorsed, sold or promoted by MSCI and MSCI makes no representation, condition or warranty regarding the advisability of investing in XQLT, XMTM and XVLU.

The S&P SmallCap 600 Index and the S&P SmallCap 600 Index (CAD-Hedged) are products of S&P Dow Jones Indices LLC, or its affiliates (“SPDJ”), and has been licensed for use by BlackRock Fund Advisors. Standard & Poor’s® and S&P® are registered trademarks of Standard & Poor’s Financial Services LLC, a division of S&P Global (“S&P”) and have been sublicensed for certain purposes by BlackRock Fund Advisors to BlackRock Canada. The Units of XSMC and XSMH are not sponsored, endorsed, sold or promoted by SPDJI and SPDJI does not make any representation regarding the advisability of investing in such products nor do they have any liability for any errors, omissions, or interruptions of the S&P SmallCap 600 Index or the S&P SmallCap 600 Index (CAD-Hedged).

® / TM Trademark(s) of Royal Bank of Canada. Used under licence. iSHARES is a registered trademark of BlackRock, Inc., or its subsidiaries in the United States and elsewhere. Used under licence. © 2019 BlackRock Asset Management Canada Limited and RBC Global Asset Management Inc. All rights reserved.

For more information, please contact:

Maeve Hannigan, BlackRock Communications, 416-564-1540, maeve.hannigan@blackrock.com