



RBC iShares Expands ETF Offering with iShares Sustainable Core ETF Suite

Six ESG-oriented ETFs are the first solutions launched under the RBC iShares strategic alliance

Toronto, March 21, 2019 – Today, RBC iShares expanded its exchange traded fund (“ETF”) lineup with the launch of the iShares Sustainable Core ETFs, a suite of six ETFs that are expected to begin trading on the Toronto Stock Exchange today; The new funds will be managed by BlackRock Asset Management Canada Limited (“BlackRock Canada”), an indirect wholly-owned subsidiary of BlackRock, Inc.

As a suite of environmental, social and governance (“ESG”)-oriented index ETFs, the iShares Sustainable Core ETFs are the first of their kind in Canada offering investors broad-based ESG solutions and the ability to build diversified, low-cost sustainable portfolios with unprecedented simplicity. They are also the first set of new products introduced under the [RBC iShares alliance](#), a strategic alliance between BlackRock Canada and RBC Global Asset Management Inc. (“RBC GAM Inc.”).

Introducing the iShares Sustainable Core ETFs

With the launch of the iShares Core ETFs in 2014, BlackRock Canada’s mission was to enable all Canadian investors to easily identify and access foundational, low-cost funds to hold at the core of their portfolios. The new iShares Sustainable Core ETF suite builds upon that success. These ESG-oriented index ETFs are designed as low-cost building blocks for investors to create diversified, sustainable portfolios. The suite, which includes four ESG equity ETFs and two ESG bond ETFs, offers broad Canadian, US, international and emerging market equity exposures, along with Canadian aggregate and short-term bond exposures.

| Fund Name | Ticker | Management Fee |
|--|--------|--------------------|
| iShares ESG MSCI Canada Index ETF | XESG | 0.20% |
| iShares ESG MSCI USA Index ETF | XSUS | 0.25% |
| iShares ESG MSCI EAFE Index ETF | XSEA | 0.30% |
| iShares ESG MSCI Emerging Markets Index ETF | XSEM | 0.35% ¹ |
| iShares ESG Canadian Aggregate Bond Index ETF | XSAB | 0.18% |
| iShares ESG Canadian Short Term Bond Index ETF | XSTB | 0.18% |

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. Capitalized terms not otherwise defined in this press release have the meaning ascribed to them in the fund’s prospectus.

Generally, the indices that the ETFs currently seek to track are designed to emphasize exposure to issuers with positive ESG characteristics chosen from securities included in its respective parent index, while exhibiting risk and return characteristics similar to those of the relevant parent index for each market segment. The current indices apply socially responsible investing screens to exclude securities of companies involved in the business of tobacco, companies involved with controversial weapons, producers and retailers of civilian firearms, as well as companies involved in very severe business controversies, in each case as determined by the index provider.

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

“As the first solutions introduced under the RBC iShares alliance, it was important for us to bring a set of ETFs to market that would satisfy a growing need and have a real investor impact. We’re seeing the sustainable investing category rapidly growing, as investors evolve how they build their portfolios, increasingly placing a greater focus on solutions that allow them to align their beliefs with their investments. The iShares Sustainable Core ETFs empower investors to achieve both outcomes, in the same simple experience they have come to know with the iShares Core ETFs.”

Doug Coulter, President, RBC GAM Inc:

“The addition of the iShares Sustainable Core ETF suite to the RBC iShares platform brings an entirely new and innovative solution set for the growing number of Canadians looking to incorporate environmental, social and governance factors into their portfolios. The RBC iShares strategic alliance was launched with the stated goal of bringing unparalleled choice and opportunities to Canadian ETF investors, and these new solutions reflect that commitment.”

Taking sustainable investing mainstream

Demand for sustainable investing is expected to grow significantly over the next decade², as investors look to align their investments more closely with their values and long-term financial objectives. While sustainable investment products may have historically occupied a niche category, advances in technology, along with enhancements in data tools and portfolio analysis, have allowed investors to evolve how they build portfolios.

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

About BlackRock

BlackRock helps investors build better financial futures. 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 December 31, 2018, the firm managed approximately US\$5.98 trillion in assets on behalf of investors worldwide. For additional information on BlackRock, please visit www.blackrock.com/ca | Twitter: @BlackRockCA | Blog: www.blackrockblog.com/can | 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 800+ exchange traded funds (ETFs) and

² According to BlackRock projections, ESG ETF assets globally are expected to grow from US\$25 billion today to more than US\$400 billion by 2028. The rapid growth in ESG ETFs could increase the ETF share of total ESG ETF and mutual fund assets from 3% today to 21% by 2028. Source: BlackRock as at October 2018. Please note, there is no guarantee that any predictions made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

US\$1.7 trillion in assets under management as of December 31, 2018, 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 firm³.

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 \$425 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.

The funds or securities referred to herein are not sponsored, endorsed or promoted by MSCI ESG Research, Bloomberg or Barclays, and, MSCI ESG Research, Bloomberg and Barclays bear no liability with respect to any such funds or securities or any index on which such funds or securities are based. The prospectus contains a more detailed description of the limited relationship, MSCI ESG Research, Bloomberg, and Barclays have with BlackRock Asset Management Canada Limited and any related funds.

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³ Based on US\$5.98 trillion in AUM as of 12/31/18