BLACKROCK®

KEY INVESTOR INFORMATION

This document provides you with key investor information about this Fund. It is not marketing material. The information is required by law to help you understand the nature and risks of investing in this Fund. You are advised to read it so you can make an informed decision about whether to invest.

BlackRock Managed Index Portfolios - Defensive

A sub-fund of BlackRock Strategic Funds

Class D2 EUR

ISIN: LU1304596254

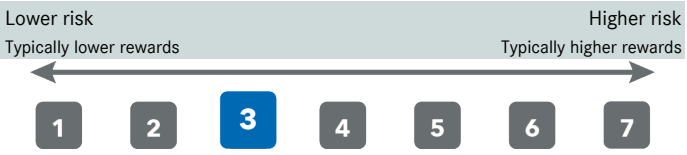
Management Company: BlackRock (Luxembourg) S.A.

Objectives and Investment Policy

- The Fund aims to provide a return on your investment through a combination of capital growth and income commensurate with a defensive level of risk.
- The Fund will seek to achieve its investment objective by obtaining indirect exposure to equity securities (e.g. shares), equity-related (ER) securities, fixed income (FI) securities (such as bonds), FI-related securities, alternative assets (such as property and 'hard' commodities, but excluding 'soft' commodities), cash and deposits. FI securities include money market instruments (MMIs) (i.e. debt securities with short term maturities). ER securities and FI-related securities include financial derivative instruments (FDIs) (i.e. investments the prices of which are based on one or more underlying assets). 'Hard' commodities are commodities which are natural resources that are mined or extracted (e.g. gold, aluminium, copper, oil and natural gas) and 'soft' commodities are commodities which are agricultural products or livestock (e.g. corn, wheat, coffee, sugar, soybeans and pork).
- It is intended that the Fund's exposure (direct and indirect) to equity securities will not exceed 30% of its net asset value, however, this exposure may vary over time.
- Exposure to these asset classes will be achieved through the Fund's investments in other funds globally, including exchange traded funds and other index funds managed by the BlackRock Group and, when determined appropriate, the Fund may invest directly in FI-related securities, FI-securities, MMIs, cash and deposits.
- The Fund's direct investments in FI securities and MMIs may be issued by governments, government agencies, companies and supranationals (e.g. the International Bank for Reconstruction and Development). Any exposure (direct or indirect) to FI securities which have a relatively low credit rating or are unrated may not exceed 20 % of the Fund's net asset value.
- Generally, the Fund will seek to be positioned such that the Fund's risk as measured by annualised volatility over a 5 year period falls within the range of 2%-5%, however, the Fund's risk profile may fall outside the stated range from time to time. Volatility is the measure of fluctuations of the returns of a given investment. Generally, the higher the volatility, the riskier the investment.
- The IA has discretion to select the Fund's investments.
- The investment adviser (IA) will use FDIs.
- For the purpose of managing currency exposure, the IA may use investment techniques (which may include the use of FDIs) to protect the value of the Fund, in whole or part, or enable the Fund to profit from, changes in currency exchange rates against the base currency of the Fund.
- Recommendation: This Fund may not be appropriate for short-term investment.
- Your shares will be non-distributing (i.e. dividend income will be included in their value).
- Your shares will be denominated in Euro, the Fund's base currency.
- You can buy and sell your shares daily. The minimum initial investment for this share class is US$100,000 or currency equivalent.

For more information on the Fund, share/unit classes, risks and charges, please see the Fund's prospectus, available on the product pages at www.blackrock.com

Risk and Reward Profile



- The risk indicator was calculated incorporating simulated historical data and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed and may change over time.
- The lowest category does not mean risk free.
- The Fund is rated three due to the nature of its investments which include the risks listed below. These factors may impact the value of the Fund's investments or expose the Fund to losses.
  - Credit risk, changes to interest rates and/or issuer defaults will have a significant impact on the performance of fixed income securities. Potential or actual credit rating downgrades may increase the level of risk.
  - Currency Risk: The Fund invests in other currencies. Changes in exchange rates will therefore affect the value of the investment.
  - The value of equities and equity-related securities can be affected by daily stock market movements. Other influential factors include political, economic news, company earnings and significant corporate events.
- Particular risks not adequately captured by the risk indicator include:
  - Counterparty Risk: The insolvency of any institutions providing services such as safekeeping of assets or acting as counterparty to derivatives or other instruments, may expose the Fund to financial loss.
  - Liquidity Risk: Lower liquidity means there are insufficient buyers or sellers to allow the Fund to sell or buy investments readily.

Charges

The charges are used to pay the costs of running the Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

The entry and exit charges shown are maximum figures. In some cases you might pay less. Please refer to your financial advisor or the distributor for the actual entry and exit charges.

*Subject to a charge of up to 2% paid into the Fund where the Manager suspects excessive trading by an investor.

The ongoing charges figure is based on expenses for the twelve month period ending 29 December 2017. This figure may vary from year to year. It excludes portfolio trade-related costs, except costs paid to the custodian and any entry/exit charge paid to an underlying collective investment scheme (if any).

** To the extent the Fund undertakes securities lending to reduce costs, the Fund will receive 62.5% of the associated revenue generated and the remaining 37.5% will be received by BlackRock as the securities lending agent. As securities lending revenue sharing does not increase the costs of running the Fund, this has been excluded from the ongoing charges.

One-off charges taken before or after you invest	
Entry Charge	5.00%
Exit Charge	None*

This is the maximum that might be taken out of your money before it is invested or before proceeds of your investments are paid out.

Charges taken from the Fund over each year	
Ongoing Charges	0.50%**
Charges taken from the Fund under certain conditions	
Performance Fee	None

Past Performance

Past performance is not a guide to future performance.

The chart shows the Fund's annual performance in EUR for each full calendar year over the period displayed in the chart. It is expressed as a percentage change of the Fund's net asset value at each year-end. The Fund was launched in 2015. The share class was launched in 2015.

Performance is shown after deduction of ongoing charges. Any entry/exit charges are excluded from the calculation.

Historic performance to 31 December 2017

	2013	2014	2015	2016	2017
Fund				3.7	3.6

Practical Information

- The custodian of the Fund is State Street Bank Luxembourg S.C.A.
- Further information about the Fund can be obtained from the latest annual and half-yearly reports of the BlackRock Strategic Funds (BSF). These documents are available free of charge in English and certain other languages. These can be found, along with other information, such as share prices, on the BlackRock website at www.blackrock.com or by calling the International Investor Servicing team on +44 (0) 20 7743 3300.
- Investors should note that the tax legislation that applies to the Fund may have an impact on the personal tax position of your investment in the Fund.
- The Fund is a sub-fund of BSF, an umbrella structure comprising different sub-funds. This document is specific to the Fund and share class stated at the beginning of this document. However, the prospectus, annual and half-yearly reports are prepared for the umbrella.
- BSF may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Fund's prospectus.
- Under Luxembourg law, BSF has segregated liability between its sub-funds (i.e. the Fund's assets will not be used to discharge the liabilities of other sub-funds within BSF). In addition, the Fund's assets are held separately from the assets of other sub-funds.
- Investors may switch their shares in the Fund for shares in another sub-fund within BSF, subject to meeting certain conditions as set out in the prospectus.
- The Remuneration Policy of the Management Company, which describes how remuneration and benefits are determined and awarded, and the associated governance arrangements, is available at www.blackrock.com/Remunerationpolicy or on request from the registered office of the Management Company.