

Registration number: 11225817

BlackRock UK (Gamma) Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



BlackRock UK (Gamma) Limited

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BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022

The Board of directors ("the Board") presents its Strategic Report for BlackRock UK (Gamma) Limited ("the Company") for the year ended 31 December 2022.

The Company is part of BlackRock, Inc. ("BlackRock" or "the Firm"), a leading publicly traded investment management firm with \$8.6tn (2021: \$10.0tn) of assets under management ("AUM") as at 31 December 2022. With approximately 19,800 employees in more than 30 countries who serve clients in over 100 countries, BlackRock provides a broad range of investment and technology services to institutional and retail clients worldwide.

Principal activity

The principal activity of the Company is that of a holding company for certain UK entities within the BlackRock, Inc. group.

There have not been any significant changes in the Company's principal activities in the period under review and the directors propose that the principal activities will continue during 2023.

Purpose

BlackRock's purpose is to help more and more people experience financial well-being. BlackRock's clients, and the people they serve, are saving for retirement, paying for their children's educations, buying homes and starting businesses. Their investments are also helping to strengthen the global economy: support businesses small and large; finance infrastructure projects that connect and power cities; and facilitate innovations that drive progress. BlackRock is committed to advancing:

- *Financial wellbeing*: helping millions of people invest to build savings that serve them throughout their lives;
- *Investment access*: making investing easier and more affordable;
- *Sustainable outcomes*: advancing sustainable investing because the Firm believes it delivers better outcomes for investors; and
- *Inclusive economies*: contributing to a more resilient economy that benefits more people.

Corporate strategy

Corporate strategy is developed and reviewed at a global and regional level. This Strategic Report will therefore focus on both global and regional industry trends and areas of strategic focus, while relating them to the services that the Company provides.

BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Industry profile

Global

BlackRock's diverse platform of alpha-seeking active, index and cash management investment strategies across asset classes enables the Firm to offer choice and tailor investment outcomes and asset allocation solutions for clients. Product offerings include single- and multi-asset portfolios investing in equities, fixed income, alternatives and money market instruments. Products are offered directly and through intermediaries in a variety of vehicles, including open-end and closed-end mutual funds, iShares® and BlackRock exchange-traded funds ("ETFs"), separate accounts, collective trust funds and other pooled investment vehicles. BlackRock also offers technology services, including the investment and risk management technology platform, Aladdin®, Aladdin Wealth, eFront®, and Cachematrix, as well as advisory services and solutions to a broad base of institutional and wealth management clients. BlackRock is highly regulated and manages its clients' assets as a fiduciary. BlackRock does not engage in proprietary trading activities that could conflict with the interests of clients.

BlackRock serves a diverse mix of institutional and retail clients across the globe, including investors in ETFs, maintaining differentiated client relationships and a fiduciary focus. The Firm's highly diversified multi-product platform was created to meet client needs in all market environments and provide clients with choice in how they seek to achieve their unique financial goals. BlackRock is positioned to provide alpha-seeking active, index and cash management investment strategies across asset classes and geographies. In addition, BlackRock leverages its world-class risk management, analytics and technology capabilities, including the Aladdin platform, on behalf of clients. The diversity of BlackRock's platform facilitates the generation of organic growth in various market environments, and as client preferences evolve. BlackRock's long-term strategy remains to keep alpha at the heart of BlackRock; accelerate growth in ETFs, illiquid alternatives, and technology; deliver whole portfolio solutions and become the global leader in sustainable investing.

As the asset management landscape shifts globally from individual product selection to a whole-portfolio approach, BlackRock's strategy is focused on creating outcome-oriented client solutions for both retail investors and institutions. This includes having a diverse platform of alpha-seeking active, index and alternative products, as well as enhanced distribution and portfolio construction technology offerings. Digital wealth tools are an important component of BlackRock's retail strategy, as BlackRock scales and customises model portfolios, extends Aladdin Wealth and digital wealth partnerships globally, and helps advisors build better portfolios through portfolio construction and risk management, powered by Aladdin. BlackRock has seen strong momentum in outsourcing solutions among institutional clients, including the funding of several significant mandates in 2022, and anticipates continued outsourcing opportunities in the future.

Across BlackRock, many clients are focusing on the impact of sustainability factors on their portfolios. This shift has been driven by an increased understanding of how sustainability-related factors can affect economic growth, asset values, and financial markets as a whole. As a fiduciary, BlackRock is committed to providing clients with choice and then executing in accordance with their chosen objectives. BlackRock's longstanding model of choice helps clients build portfolios to match the preferences and goals unique to each of them; for some clients, this includes investing in sustainable strategies.

Regional

On a regional basis, BlackRock in Europe, Middle East and Africa ("EMEA") managed \$2.1tn (2021: \$2.7tn) of AUM for its clients as at 31 December 2022. This generated \$5.2bn (2021: \$6.4bn) of revenue from a diversified client base and product range, with EMEA representing 29% of BlackRock's base fees and securities lending revenue in 2022.

BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Business Review

Profit after tax

The Company made no profit after tax for the year (2021: nil).

Net assets

The net assets of the Company as at 31 December 2022 were \$1,715m (2021: \$1,715m).

The performance of the Company is included in the results of BlackRock UK (Alpha) Limited consolidated accounts and in the results of BlackRock, Inc. group which are disclosed in the BlackRock, Inc. group annual report and on Form 10-K to the United States Securities and Exchange Commission ("SEC"). BlackRock, Inc. manages its key performance indicators on a global basis but in consideration of individual legal entities. For this reason, the Company's directors believe that providing further performance indicators for the Company itself would not enhance an understanding of the development, performance or position of the business of the Company.

Principal risks and uncertainties

The Board is responsible for the Company's system of risk management and internal control and for reviewing its effectiveness.

The Company is included within BlackRock's risk management processes.

The Board has considered a number of potential risks and uncertainties affecting the Company's business and has established associated policies and processes designed to manage and, where possible, mitigate those risks, which are monitored on an ongoing basis.

This system assists the Board in determining the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives. Both the principal risks and the monitoring system are also subject to robust assessment at least annually.

Actions taken by the Board to manage and mitigate the Company's principal risks and uncertainties are set out below:

Reputational risk

Risk description: reputational risk is the risk arising from an adverse perception on the part of existing and potential stakeholders (e.g. clients, regulators, government bodies, trading counterparties and suppliers) that could negatively impact revenue, earnings, brand value, and customer retention.

Risk mitigation: BlackRock's reputation is one of its most important assets and BlackRock expects all of its employees to act with the highest level of integrity with clients and in markets. As a client-focused business, BlackRock considers reputational risk to be a fundamental aspect of all business and risk management activities. Reputational risk exposure is an integral part of the BlackRock's Enterprise Risk Management Framework and a key focus for internal control processes around strategic decisions, products and services, operational processes, corporate governance, responsibility and communications, client and other external relationships.

Non-financial (operational) risks

Risk description: non-financial risks are operational risks that arise from events or actions, other than financial transactions, that can negatively impact the operations, assets or reputation of the Company. These risks may, but do not always have, an adverse financial impact, and are often the result of inadequate internal processes, controls, human error or systems, or external events. Key operational risks facing the Company include:

- *Operational (process) risk:* risk of financial loss or regulatory/reputational impact resulting from inadequate or failed internal processes and controls, human error, or systems, which may occur within the Company's internal operations.

BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

- *Compliance risk*: risk that the Company's services, activities, or operations are not conducted in compliance with applicable law and regulations, including those laws and regulations which impose fiduciary obligations, that conflicts of interest are not appropriately mitigated or that there is a failure to appropriately manage regulatory reporting requirements.
- *Technology resilience risk*: risk arising from the inability to provide, maintain or recover key technology platforms, such as Aladdin®. Examples include a system outage or disruption, software or technology infrastructure failure (e.g., servers, storage devices, network components).
- *Information security risk*: risk arising from the inability to meet confidentiality, integrity, or availability requirements of Company information. Information security risk can also be described as failure to protect the Company against internal or external security threats, including accidents or malicious attacks by personnel, attacks by outsiders, and breaches at third parties, among others. Information security incidents may lead to material financial loss, loss of competitive position, regulatory actions, a breach of client contracts, reputational harm, or legal liability.
- *Financial crime risk*: risk arising from the failure to prevent external or internal parties from gaining access to, or utilising, company assets for criminal purposes which include money laundering, breaches of economic sanctions, fraud, bribery and corruption.
- *Financial reporting risk*: risk resulting from ineffective internal controls over financial reporting or failure to prepare and/or disclose accurate information in financial statements, which could have an adverse impact on the Company's reputation and lead to the restatement of accounts, increased regulatory scrutiny or fines.

Risk mitigation: the Company benefits from BlackRock's well-established operational risk management framework that provides appropriate control and oversight over risk management arrangements. The risk management framework is based on a three lines of defence model comprised of the following three elements:

- Risk governance and oversight, including establishing policies and procedures, establishing regional and global risk committees and overseeing the risk management framework.
- Risk identification and assessment, including identifying BlackRock's key risks and emerging risks, identifying business unit risk through tools such as risk and control self-assessments and regular meetings with business units, reviewing new products and major changes and reviewing internal and external operating events.
- Risk monitoring and measurement, quantifying and forecasting risks and monitoring against risk tolerances. This includes monitoring and investigating operating events, and recording them in a database of operating events, establishing and monitoring key risk indicators in the context of BlackRock's risk tolerance.

Strategy/Business risk

Risk description: strategy/business risk arises from adverse business decisions or improper implementation of those decisions that could negatively impact revenue, earnings and brand value. This includes adverse impact from factors such as competition, structural industry changes, asset class shifts, geopolitical instability, macro-economic conditions, falling behind industry changes or relationships with other entities. This risk is a function of the alignment between the Company's strategic goals, the business strategies developed to achieve those goals, the resources deployed against these goals, and the quality of implementation. It also covers business concentration risks and legal risks.

A growing awareness of the ongoing and potential future impact of climate change is shifting the views and expectations of BlackRock's key stakeholders including clients, regulators, shareholders, employees and the broader public as well as the way BlackRock thinks about climate risks as an investment risk. Climate change poses risks and opportunities that may impact the companies in which BlackRock invests on behalf of its clients.

The risk arises both in terms of the physical risk associated with rising global temperatures, and also transition risk, namely, how the global transition to a low-carbon economy could affect a company's long-term profitability.

BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Risk mitigation: BlackRock mitigates strategy / business risk by making extensive efforts to respond to industry uncertainties and business opportunities. It also anticipates business environment changes and then implements the necessary changes to generate better outcomes for the Firm.

In relation to risks posed by climate change, BlackRock, Inc. publishes its Task Force on Climate-Related Financial Disclosures ("TCFD") aligned report, on an annual basis, detailing BlackRock's climate-related risks and opportunities. This can be accessed at the following link

<https://www.blackrock.com/corporate/literature/continuous-disclosure-and-important-information/tcf-report-2022-blkinc.pdf>

Group risk

Risk description: group risk is the risk that the financial position of the Company may be adversely impacted by its relationships with other entities in the BlackRock group or by risks that may affect the financial position of the whole group. As a member of the BlackRock group, the Company faces the risk that decisions made by, or circumstances impacting, BlackRock group entities may either directly impact the Company or may 'spill-over' and have an impact on the Company. These could include, but are not limited to, strategic mergers or acquisitions, divestiture decisions, severe financial distress, reputational damage or decisions regarding the ability or willingness to provide services to the Company.

Risk mitigation: group risk is mitigated by having documented contractual arrangements for services with other group companies.

Conduct risk

Risk description: conduct risk is the risk arising from inappropriate behaviour by the Company, or by those acting on its behalf, which leads to detriment to the Company or has a negative impact on market integrity.

Risk mitigation: conduct risk is present in all of the Company's activities and responsibility for managing conduct risk is embedded throughout BlackRock's organisational and governance arrangements.

BlackRock UK (Gamma) Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Companies Act s172 Statement

The directors of the Company must act in a way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. In doing so, they should have regard to other factors, including those set out in section 172(1) of the Companies Act 2006. As the Company is a wholly-owned subsidiary whose only transactions are with other entities within the BlackRock group, its parent companies and other members of the BlackRock group are key stakeholders of the Company. The key Board activities during the year which were influenced by consideration of the Company's stakeholders and the factors set out in s172(1) included:

- providing shareholder approval to key transactions involving its subsidiaries in the UK and EU; and
- approving its annual financial statements, including carefully considering its going concern status and reviewing key accounting judgements and estimates as detailed in note 3 of the financial statements.

The Company, as a subsidiary of BlackRock, adheres to the BlackRock's code of ethics which can be found here:

https://s24.q4cdn.com/856567660/files/doc_downloads/governance_documents/Code-of-Business-Conduct-and-Ethics_20200430.pdf

BlackRock has communicated its sustainability commitments to all stakeholders in a letter to shareholders of BlackRock, which can be accessed at the following link:

<https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter>.

The Company does not have any employees. The BlackRock group's employee policies, more broadly, can be found here:

<https://www.blackrock.com/corporate/responsibility/human-capital>.

The Company does not have suppliers. More broadly, BlackRock requires that all suppliers comply with the BlackRock group supplier code of conduct and ethics found here:

<https://www.blackrock.com/corporate/literature/publication/blackrock-supplier-code-of-conduct-and-ethics.pdf>

To ensure an efficient and effective approach, certain stakeholder engagement is led at the BlackRock group level, in particular where matters are of group-wide significance or have the potential to impact the reputation of the BlackRock group. As the Company is part of a wider group, the duties of the directors of the Company are exercised in a way that is most likely to promote the success of the Company for the BlackRock group as a whole, while having regard to factors outlined in section 172(1) Companies Act 2006.

Approved by the Board on 26 September 2023 and signed on its behalf on 28 September by:



D C M Beattie
Director

BlackRock UK (Gamma) Limited

Directors' Report for the Year Ended 31 December 2022

The Board presents its report together with the unaudited financial statements of BlackRock UK (Gamma) Limited (registered number: 11225817) for the year ended 31 December 2022.

The directors have chosen, in accordance with section 414C (11) of the Companies Act 2006, to include certain additional matters in the Strategic Report that would otherwise be required to be disclosed in the Directors' Report, including the Company's principal activity, business review, future developments and financial risk management.

Dividends

No dividends (2021: nil) were paid during the year.

Directors and officers of the Company

The directors, who held office during the year and up to the date of this report, were as follows:

P Matsumoto
A J H Peters
D C M Beattie

Officers:

BlackRock Company Secretarial Services (UK) Limited - Company Secretary

Political donations

During the year, the Company made no political donations (2021: nil).

Statement of directors' responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BlackRock UK (Gamma) Limited

Directors' Report for the Year Ended 31 December 2022 (continued)

Going concern

The directors believe that the Company is well placed to manage its business risks successfully. The directors have a reasonable expectation that the Company have adequate resources to continue in operational existence for the foreseeable future, being 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

Directors' third-party indemnity provisions

Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the course of the financial period ended 31 December 2021 for the benefit of the then directors and, at the date of this report, are in force for the benefit of the directors in relation to certain losses and liabilities which may occur (or have occurred) in connection with their duties, powers or office.

Approved by the Board on 26 September 2023 signed on its behalf on 28 September by:



✓ D C M Beattie
Director

BlackRock UK (Gamma) Limited

Income Statement for the Year Ended 31 December 2022

	Note	2022 \$ 000	2021 \$ 000
Revenue		<u>-</u>	<u>-</u>
Profit/(loss) before tax		<u>-</u>	<u>-</u>
Profit/(loss) for the year		<u><u>-</u></u>	<u><u>-</u></u>

The Company has no items of other comprehensive income for the current and prior year, consequently no statement of comprehensive income has been presented. Results are wholly derived from continuing operations.

BlackRock UK (Gamma) Limited
(Registration number: 11225817)
Statement of Financial Position as at 31 December 2022

		31 December 2022 \$ 000	31 December 2021 \$ 000
	Note		
Assets			
Non-current assets			
Investments	7	<u>1,715,173</u>	<u>1,715,173</u>
Equity and liabilities			
Equity			
Share premium		<u>1,715,173</u>	<u>1,715,173</u>
Total equity and liabilities		<u>1,715,173</u>	<u>1,715,173</u>


The balance sheet includes \$102 of share capital subscribed by BlackRock UK (Alpha) Limited which has not been disclosed as a separate line item as it is trivial.

For the year ending 31 December 2022, the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 26 September 2023 and signed on its behalf on 28 September by:


.....
D C M Beattie
Director

BlackRock UK (Gamma) Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Called-up share capital \$ 000	Share premium reserve \$ 000	Retained Earnings \$ 000	Total \$ 000
At 1 January 2022	-	1,715,173	-	1,715,173
At 31 December 2022	-	1,715,173	-	1,715,173

	Called-up share capital \$ 000	Share premium reserve \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2021	-	1,715,173	-	1,715,173
At 31 December 2021	-	1,715,173	-	1,715,173

The notes on pages 12 to 16 form an integral part of these financial statements.

BlackRock UK (Gamma) Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

The Company is a private company limited by share capital, incorporated and domiciled in England, United Kingdom.

The address of its registered office is:

12 Throgmorton Avenue

London

EC2N 2DL

United Kingdom

These financial statements were authorised for issue by the Board on 26 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 'Application of Financial Reporting Requirements' ("FRS 100") as issued by the Financial Reporting Council ("FRC"). Accordingly, the Company has applied Financial Reporting Standard 101 'Reduced Disclosure Framework' ("FRS 101").

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

Summary of disclosure exemptions

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain standards, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions.

Where required, equivalent disclosures are given in the group accounts of BlackRock UK (Alpha) Limited and BlackRock, Inc. These accounts are available to the public and can be obtained as set out in note 10.

BlackRock UK (Gamma) Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Consideration of climate risk

As discussed in the Strategic Report the Company reviews and manages climate related risks. In preparing the financial statements, the directors have considered the implications of climate related risk and have concluded that there has been no material impact identified on the financial reporting judgements and estimates or on the valuation of the Company's assets and liabilities.

Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report along with principal risks and uncertainties.

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being at least 12 months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Dividends

Dividend income from investments is recognised when the Company's rights to receive payment have been established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

Dividends payable are included in the financial statements in the period in which they are approved by the directors.

Investments

Investments are equity holdings in subsidiaries and associates. They are measured at cost less any provision for impairment. Investments are tested for impairment whenever events or changes in circumstance indicate that the carrying amount may not be recoverable.

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised. The directors do not consider that any critical accounting estimates or significant judgements have been made in the current period.

BlackRock UK (Gamma) Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022 \$ 000	2021 \$ 000
Aggregate emoluments	8	8
Pension contributions	1	1
	<u>9</u>	<u>9</u>

Of the 3 (2021: 3) directors that served during the year, none were remunerated by the Company (2021: none). The amounts included above relate to their service as directors of the Company based on an estimated time allocation basis.

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2022 No.	2021 No.
Received or were entitled to receive shares under service condition based schemes	2	2
Accruing benefits under defined contribution pension schemes	<u>3</u>	<u>3</u>

During the year, no director (2021: no director) exercised BlackRock, Inc. share options.

5 Auditors' remuneration

	2022 \$ 000	2021 \$ 000
Audit of the financial statements	-	8
	<u>-</u>	<u>8</u>

For the year ended 31 December 2022, the Company has taken advantage of the exemption from audit under section 479 (A) of the Companies Act 2006 relevant to subsidiary companies and therefore Auditors' remuneration is nil. Auditors' remuneration was borne by another group company in the prior year.

6 Income tax

The tax on profit before tax for the year is same as (2021: same as) the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%).

BlackRock UK (Gamma) Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

6 Income tax (continued)

	2022 \$ 000	2021 \$ 000
Profit/(loss) before tax	-	-
Corporation tax at standard rate	-	-
Increase arising from group relief tax reconciliation	35,696	35,293
Decrease from Partnership distribution from BlackRock UK (Delta) LP	(35,696)	(35,293)
Total tax charge/(credit)	<u>-</u>	<u>-</u>

In June 2021, the Finance Act 2021 was enacted to increase the UK corporation tax rate from 19% to 25% from 1 April 2023. The tax balances of the Company have been recognised at a rate of 19% or 25% depending on the rate at which these are expected to unwind.

The Company notes recent developments in relation to the Organisation for Economic Co-operation and Development (OECD) inclusive Framework on Base Erosion and Profit Shifting which will set a new minimum global corporate tax rate of 15%. This may impact the Company's future tax charge and effective tax rate but at this stage it not possible to estimate the impact on the BlackRock Group and therefore the Company. No deferred tax assets or liabilities are recognised in the financial statements in respect of such taxes.

7 Investments

Subsidiaries	\$ 000
Cost	

At 1 January 2022	1,715,173
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At 31 December 2022	1,715,173
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At 31 December 2021	1,715,173
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Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and registered office address	Proportion of ownership interest and voting rights held	
			2022	2021
BlackRock UK (Delta) LP*	Financing and intermediary holding partnership	United Kingdom 12 Throgmorton Avenue, London, EC2N 2DL	100%	100%
BlackRock UK (Sigma) Limited	Provision of foreign exchange trading services to entities within the group	United Kingdom 12 Throgmorton Avenue, London, EC2N 2DL	100%	100%

BlackRock UK (Gamma) Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

7 Investments (continued)

*indicates direct investment of the company

8 Share capital

Allotted and called up shares

	31 December 2022		31 December 2021	
	No.	\$	No.	\$
Ordinary shares of \$1 each	<u>102</u>	<u>102</u>	<u>102</u>	<u>102</u>

9 Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow members of the group.

Details of directors' remuneration are set out in note 4. There are no personnel other than directors, who as key management exercise authority and responsibility for planning, directing and controlling the activities of the Company.

10 Parent and ultimate parent undertaking

The Company's immediate holding company is BlackRock UK (Alpha) Limited and the ultimate parent company and controlling party is BlackRock, Inc. a company incorporated in the State of Delaware in the United States of America.

The parent company of the smallest group that includes the Company and for which group accounts are prepared is BlackRock UK (Alpha) Limited. Copies of the group financial statements are available on request from the registered office address at 12 Throgmorton Avenue, London, EC2N 2DL.

The parent company of the largest group that includes the Company and for which group accounts are prepared is BlackRock, Inc. Copies of the group financial statements are available upon request from the Investor Relations website at www.blackrock.com or requests may be addressed to Investor Relations at 50 Hudson Yards, New York, NY 10001, USA or by email at invrel@blackrock.com.