

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

| | | | |
|--|-----------------------------------|---|-----------------------------|
| 1 Issuer's name | | 2 Issuer's employer identification number (EIN) | |
| ISHARES EDGE MSCI MIN VOL USA INDEX FUND OF BLACKROCK FUNDS | | 81-2724364 | |
| 3 Name of contact for additional information | 4 Telephone No. of contact | 5 Email address of contact | |
| BlackRock Advisors | (800) 882-0052 | mutual_funds_ff_www@blackrock.com | |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact | | 7 City, town, or post office, state, and ZIP code of contact | |
| One Financial Center | | Boston, MA 02111 | |
| 8 Date of action | | 9 Classification and description | |
| February 10, 2021 | | Common Stock - Regulated Investment Company | |
| 10 CUSIP number | 11 Serial number(s) | 12 Ticker symbol | 13 Account number(s) |
| See Statement 1 | n/a | See Statement 1 | n/a |

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ The Issuer paid distributions to common shareholders during the taxable period ended February 10, 2021. All or a portion of each distribution constitutes a non-taxable return of capital.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The portion of the distribution that constitutes a non-taxable return of capital will decrease a U.S. taxpayer's basis in the shares of the Issuer. Please see Statement 1 for the non-taxable return of capital.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ Issuer's current and accumulated earnings and profits were compared to distributions paid during the taxable period ended February 10, 2021. The non-taxable return of capital represents the amount of distributions paid during the taxable period ended February 10, 2021 in excess of Issuer's current and accumulated earnings and profits under IRC Section 316.

STATEMENT 1

ISHARES EDGE MSCI MIN VOL USA INDEX FUND OF BLACKROCK FUNDS
F.E.I.N. 81-2724364
FOR THE TAXABLE PERIOD ENDED FEBRUARY 10, 2021
ATTACHMENT TO FORM 8937

NON-TAXABLE RETURN OF CAPITAL

| Class | Ticker | Cusip | Distribution Payable Date | Per Share Reduction of Basis in Stock |
|---------------|---------------|--------------|--------------------------------------|--|
| INSTITUTIONAL | BIMVX | 09258N638 | 01/27/2021 | \$ 3.215554438 |
| CLASS K | BKMOVX | 09258N646 | 01/27/2021 | \$ 3.215554438 |