

ESGE

iShares ESG Aware MSCI EM ETF

Fund Description

ESGE tracks an index of large- and mid-cap companies from emerging market economies. Stocks are selected and weighted for positive environmental, social, and governance characteristics while maintaining similar investment risk/return of the market.

FactSet Analyst Report

ESGE aims to increase exposure to emerging market companies with strong ESG traits, while maintaining a market-like risk portfolio. Companies in the broad MSCI Emerging Markets Index are rated on risk factors related to environmental, and governance issues. Portfolio optimization software is used to maximize the fund's stake in highly-rated companies while staying close to market-like exposure, performance, and risk. Notably, the fund completely rejects companies based on values (controversial weapons, tobacco and firearms) and climate change (thermal coal and oil sands climate). Companies involved in severe business controversies (determined by the index provider) are also excluded. The index is rebalanced quarterly. Prior to June 1, 2018 the fund tracked the MSCI Emerging Markets ESG Focus Index.