

PCRB

Putnam ESG Core Bond ETF

Fund Description

PCRB broadly invests in investment grade US fixed income securities that meet certain environmental, social and governance criteria on a sector-specific basis. The actively managed targets bonds with maturities of three years or more.

FactSet Analyst Report

PCRB invests in investment grade fixed income securities located in the US that meet ESG standards on a sector-specific basis. The portfolio may include government and corporate debt securities that have intermediate- to long-term maturities (three years or longer). The fund assesses fundamentals that include the industry, location, strategic position, and key relationships. Securities are assigned an ESG rating and only the highest-rated ones are considered. To identify relevant ESG criteria on a sector-specific basis, the fund uses an internally developed materiality map that determines which criteria are deemed important for a given sector. For example, securitized debt securities are broadly evaluated due to various asset types, counterparties, complex market structure, and scarce ESG data. Sovereign debt securities are evaluated using quantitative models and research, as better ESG scores may influence a country's credit risk and borrowing costs. The actively managed fund may use derivatives for hedging and non-hedging purposes.

