

SUSB

iShares ESG Aware 1-5 Year USD Corporate Bond ETF

Fund Description

SUSB tracks an index of USD-denominated, investment-grade, short-term corporate debt, selected based on positive ESG characteristics. Holdings are optimally weighted to provide a similar risk and return of the Bloomberg US Corporate 1-5 years Index.

FactSet Analyst Report

SUSB is positioned to be a building block for investors looking to structure their own ESG focused portfolio. The fund tracks a corporate bond index that considers each issuer's environmental, social, and governance practices. Companies involved in tobacco or controversial weapons are excluded. The fund also avoids firms subject to severe business controversies (such as anti-competitive, environmental, or health and safety issues) in the past three years. The remaining bonds are rated according to a quantitative ESG rating methodology developed by MSCI ESG Research. The ratings consider key ESG-related risks and opportunities by industry, such as climate change, resource scarcity, and demographic shifts. Final selection and weighting are done by an optimizer, which maximizes exposure to positive ESG traits while retaining market-like risk and return. SUSB holds corporate debt with maturities of 1-5 years. Non-US issues are included, but all bonds must be US dollar-denominated.

