

SUSC

iShares ESG Aware USD Corporate Bond ETF

Fund Description

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

FactSet Analyst Report

SUSC 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 ESG practices. Companies involved in tobacco or controversial weapons are excluded. The fund also avoids firms subject to severe business controversies (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, or 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. SUSC holds corporate debt with at least one year remaining to maturity. Non-US issues are included, but all bonds must be US dollar-denominated.

