



iShares MSCI USA ESG Select ETF

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ESG Select ETF

SUSA

Expense ratio

0.25%

Index

MSCI USA Extended ESG Select
Index

Holdings

129

Inception date

January 24, 2005

Source: BlackRock, as of 06/30/2019
Holdings are subject to change



8.0

SUSA has the **highest ESG Quality Score** in its Peer Group (ranks in the 100th percentile)²

Focus on ESG leaders¹ and maintain broad diversification

More investors – from global institutions to individuals – are looking to achieve their financial goals while investing in companies that exhibit positive environmental, social and governance (ESG) characteristics.

The iShares MSCI USA ESG Select ETF seeks to track an index that targets the highest rated ESG companies while maintaining diversification across sectors.

Why US Equity ESG Leaders?



Sustainable Objective

Targets US companies with highest ESG ratings² (Fig 1).



Performance

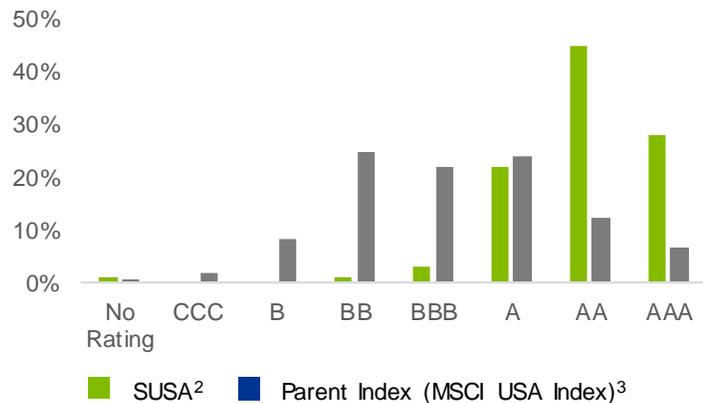
Industry's longest sustainable ETF track record that can help provide broad diversification.



Implementation

Use as complement to an existing equity allocation or as a core equity holding for a sustainable portfolio that can help improve ESG uplift.

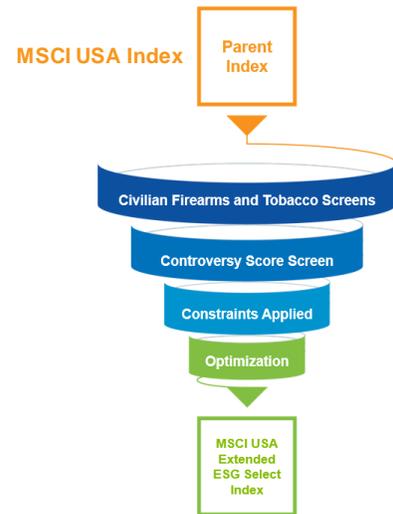
Figure 1: Portfolio breakdown of individual company ESG Ratings



1. ESG Leader is defined by MSCI as a company with an MSCI ESG Rating of AAA or AA. ESG ratings are provided by MSCI. Ratings are on a scale of AAA (best) to CCC (worst) and are based on 37 ESG key issues as determined by MSCI. Assessments for each company's ESG performance is relative to the standards and performance of its industry peers. 2. Source: MSCI ESG Fund Metrics as of 07/19/2019, based on holdings as of 05/31/2019. **Past performance does not guarantee future results. For MSCI ESG Fund Metrics and more information on ESG Metrics, please see the end of this document.** 3. Source: BlackRock, with data from MSCI ESG Research, as of 07/19/2019. 99.0% of MSCI USA Index's constituents are covered by MSCI ESG Research. The index shown is the parent index of the index that the fund seeks to track. There may be material differences between the fund's index and the index shown including without limitation holdings, methodology and performance. **Indexes are unmanaged and one cannot invest directly in an index.**

How the index is built

- 1 Screen out tobacco, civilian firearms and other select industries¹
- 2 Screen out securities without ESG rating and/or with severe controversies²
- 3 Apply the following constraints:
 - Predicted tracking error restricted to 1.8%
 - Sector Weights: +/- 3% vs Parent Index
 - Maximum Constituents: 350
 - Maximum Issue Weight: 5%
 - Minimum Issue Weight: 0.1%
- 4 Optimize portfolio subject to above constraints. Rebalanced Quarterly.



Source: MSCI. For illustrative purposes only. 1. The index excludes companies whose primary revenue is derived from Alcohol, Gambling, Tobacco, Nuclear Power, Conventional and Controversial Weapons, and Civilian Firearms. The specific exclusion criteria, such as revenue thresholds, vary by industry. Please refer to the index methodology for more information. 2 Existing constituents of the MSCI USA ESG Select Index are required to have an MSCI ESG Controversies Score above 0 to remain in the index, while companies that are currently not constituents of the MSCI USA ESG Select Index are required to have an MSCI ESG Controversies Score above 2 to be considered eligible for addition. MSCI ESG Controversy Score provides assessments of controversies concerning the negative environmental, social, and/or governance impact of company operations, products and services. The evaluation framework used in MSCI ESG Controversies is designed to be consistent with international norms represented by the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the UN Global Compact. MSCI ESG Controversies Score falls on a 0-10 scale, with "0" being the most severe controversy.

MSCI Fund Metrics

Source: MSCI Fund Metrics, as of 05/31/2019

Ticker	Fund	ESG Quality Score % Rank	Lipper Peer Group (# of funds in category)	ESG Quality Score	ESG Coverage	Holdings Date
SUSA	iShares MSCI USA ESG Select ETF	100 th	Equity US (2734)	8.06	99.1%	5/31/2019

The **ESG Quality Score % Rank** measures how a fund's overall ESG Quality Score ranks relative to other funds in the same Lipper peer group. 100% represents the best score. The **Fund ESG Quality Score** measures the ability of underlying holdings to manage key medium to long-term risks and opportunities arising from environmental, social, and governance factors. The Fund ESG Quality Score is calculated as the weighted average of the underlying holding's ESG Scores. The Fund ESG Quality Score is provided on a 0-10 score, with 0 and 10 being the respective lowest and highest possible fund scores. MSCI rates underlying holdings according to their exposure to 37 industry specific ESG risks and their ability to manage those risks relative to peers. These issuer-level ESG ratings correspond to an issuer-level ESG Score. To be included in MSCI Fund Metrics, 65% of the fund's gross weight (excluding cash positions) must come from securities covered by MSCI ESG Research, the fund's holdings date must be less than one year old, and the fund must have at least ten securities. **Past ESG metrics are not indicative of future results.**

Carefully consider the Funds' investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Funds' prospectuses or, if available, the summary prospectuses which may be obtained by visiting www.iShares.com or www.blackrock.com. Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

A fund's environmental, social and governance ("ESG") investment strategy limits the types and number of investment opportunities available to the fund and, as a result, the fund may underperform other funds that do not have an ESG focus. A fund's ESG investment strategy may result in the fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds screened for ESG standards.

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