

A SUSTAINABLE FOUNDATION

iShares[®]
by BlackRock

iShares Sustainable Bond ETFs

SUSB	iShares ESG Aware 1-5 Year USD Corporate Bond ETF Expense ratio: 0.12%	SUSC	iShares ESG Aware USD Corporate Bond ETF Expense ratio: 0.18%	EAGG	iShares ESG Aware U.S. Aggregate Bond ETF Net Expense ratio: 0.10% Gross Expense ratio: 0.11% ¹
EUSB	iShares ESG Advanced Total USD Bond Market ETF Net expense ratio: 0.12	ELQD	iShares ESG Advanced Investment Grade Corporate Bond ETF Expense ratio: 0.18%	HYXF	iShares ESG Advanced High Yield Corporate Bond ETF Expense ratio: 0.35%
BGRN	iShares USD Green Bond ETF Expense ratio: 0.20%				

¹ Expense ratios shown are all gross, except for EAGG, where net expense ratio is also shown reflecting a contractual fee waiver in place through 6/30/29.

Key takeaways

Quality
Issuers with favorable environmental, social and governance (ESG) ratings may be better positioned for the long term.

Access
Sustainable fixed income building blocks for a portfolio.

Low cost
A cost-efficient way to build a fixed income portfolio.

Figure 1 - Effective duration / 30-day SEC Yield

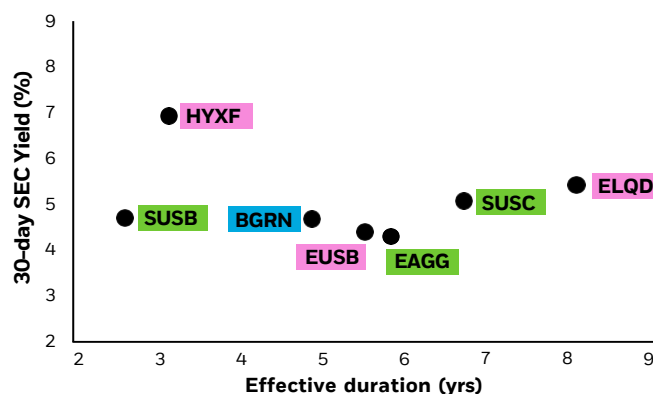


Figure 1 Source: BlackRock as of 12/31/2024. Performance data represents past performance and does not guarantee future results. Investment return and principal value will fluctuate with market conditions and may be lower or higher when you sell your shares. Current performance may differ from the performance shown. See www.iShares.com for most recent month-end performance and the end of this document for standardized performance.

The iShares sustainable bond suite

SUSC	ESG Aware²	A broad range of U.S. dollar-denominated, investment grade corporate bonds from issuers with favorable ESG ratings and similar risk and return potential to the Bloomberg U.S. Corporate Index.
SUSB	ESG Aware²	A broad range of US dollar-denominated, investment grade corporate bonds having maturity between 1 and 5 years from issuers with favorable ESG ratings and similar risk and return potential to the Bloomberg U.S. Corporate 1-5 Years Index.
EAGG	ESG Aware²	A portfolio of bonds from issuers with favorable ESG ratings and similar risk and return potential to the Bloomberg US Aggregate Bond Index.
EUSB	ESG Advanced³	A broad range of U.S. dollar-denominated investment grade and high yield bonds from issuers with favorable ESG ratings.
ELQD	ESG Advanced³	A broad range of U.S. dollar-denominated investment grade corporate bonds from issuers with extensive climate-based screens and other extensive screens for involvement in controversial activities, as well as issuers with a favorable ESG rating.
HYXF	ESG Advanced³	A broad range of U.S. dollar-denominated high yield corporate bonds from issuers with extensive climate-based screens and other extensive screens for involvement in controversial activities, as well as issuers with a favorable ESG rating.
BGRN	Impact⁴	Investment grade US dollar-denominated green bonds that are directly tied to promoting climate or other environmental sustainability purposes.

2 ESG Aware - Balance seeking a similar risk and return to the relevant broad market while tilting towards issuers with favorable ESG characteristics.

3 ESG Advanced - Prioritize companies with higher ESG ratings while extensively screening out controversial activities.

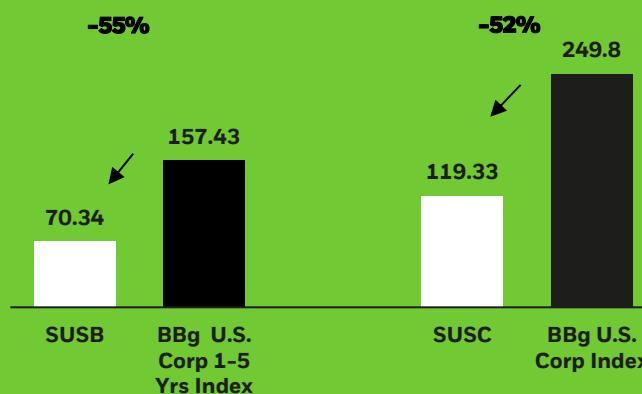
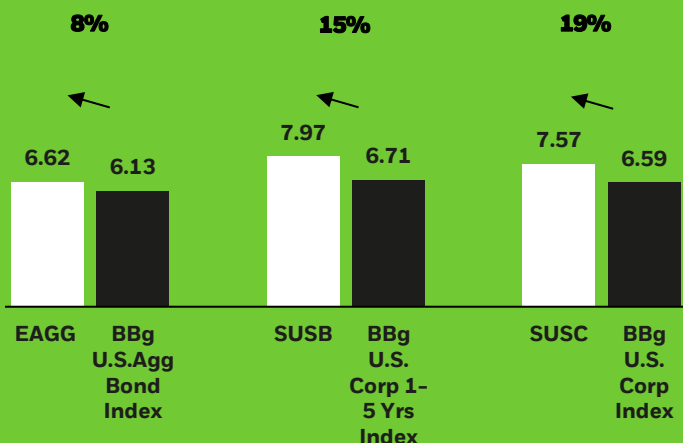
4 Impact - Commitment to generate positive, measurable, and additional sustainability outcomes.

Consider iShares ESG Aware Bond ETFs for a portfolio's core

iShares ESG Aware Bond ETFs have achieved higher ESG Scores and reduced carbon intensity, compared to broad market indexes.

ESG Quality Scores⁵

Weighted Average Carbon Intensity⁶



5. Source for the funds: MSCI ESG Fund Ratings as of 10/1/2024, based on holdings as of 8/31/2024. Source for the indexes: BlackRock computed the index metrics using the formula provided by MSCI ESG Research, index holdings data from the respective index provider, as of 8/31/2024, and security level carbon intensity data from MSCI ESG Research, as of 10/1/2024. There may be material differences between the fund's index and the index shown including without limitation holdings, methodology and performance. The parent index of EAGG (69.43% of ESG ratings coverage by MSCI ESG Fund Ratings) is the Bloomberg US Aggregate Bond Index (71.40% of ESG ratings coverage by MSCI ESG Fund Ratings), carbon intensity data is not included due to low carbon coverage. The parent index of SUSB (99.99% of ESG ratings coverage, 99.60% carbon intensity coverage by MSCI ESG Fund Ratings) is the Bloomberg US Corporate 1-5 Year Index (98.18% of ESG ratings coverage, 99.31% carbon intensity coverage by MSCI ESG Research). The parent index of SUSC (99.99% of ESG ratings coverage, 99.60% carbon intensity coverage by MSCI ESG Fund Ratings) is the Bloomberg US Corporate Index (97.93% of ESG ratings coverage, 99.05% carbon intensity coverage by MSCI ESG Research). The MSCI ESG Quality Score (0 - 10) for funds is calculated using the weighted average of the ESG scores of fund holdings. MSCI rates underlying holdings according to their exposure to 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. **6.** Source for the funds: MSCI ESG Fund Ratings as of 10/1/2024, based on holdings as of 8/31/2024. Source for the indexes: BlackRock, using carbon intensity data from MSCI ESG Research and holdings data from Bloomberg as of 10/1/2024, based on holdings as of 8/31/2024. The indexes shown are the parent indexes of the indexes that the funds seek to track. There may be material differences between the fund's index and the index shown including without limitation holdings, methodology and performance. The Weighted Average Carbon Intensity measures a portfolio's exposure to carbon intensive companies. This figure represents the estimated greenhouse gas emissions per \$1 million in sales across the portfolio's holdings. The figure is a sum of the normalized security weight multiplied by the security Carbon Intensity. This allows for comparisons between portfolios of different sizes. It is measured in tons CO2/\$M sales.

How the indexes are built

Bloomberg MSCI ESG Focus Indexes

- 1 Screen out civilian firearms, controversial weapons, tobacco, thermal coal and unconventional oil and gas.⁵
- 2 Screen out issuers with severe controversies. Controversy scores consider a company's significant social, environmental and governance impacts by identifying company involvement in major ESG controversies, adherence to international norms and principles, and assessing company performance with respect to these norms and principles.⁶
- 3 Apply the following constraints:
 - Tracking error: Maximum 10 bps annualized of Parent Index⁷
 - Option-adjusted duration: +/-0.1 year of Parent Index
 - Yield to worst: Greater than or equal to Parent Index
 - Sector weight: +/- 200 bps of Parent Index
 - Issuer weight: Maximum +150 bps of Parent Index
 - Issue weight: +/- 100 bps of Parent Index
- 4 Optimize constituents subject to above constraints using modified market cap weightings. Rebalanced monthly.⁸



Source: Bloomberg and MSCI. For illustrative purposes only. **5** Screens are based on revenue or percentage of revenue thresholds for certain categories and categorical exclusions for others. Please refer to the respective index methodology document for more information. **6** Only issuers with MSCI ESG Ratings are eligible. Excludes all issuers involved in one or more very severe ESG Controversies (MSCI ESG Controversies Score <1). MSCI ESG Controversies Scores are on a scale of 0-1.0 (0 represents most severe controversy). **7** Bps = basis points. A basis point is one hundredth of a percent. **8** Optimization is a quantitative process that considers the market capitalization weights from the Parent Index, ESG scores and additional optimization constraints to select and weight the constituents in the Index.

Pursue higher sustainability ratings with EUSB, HYXF and ELQD

Sustainable fixed income exposure for investors seeking to prioritize access to companies with higher ESG ratings while extensively screening out controversial industries. Refer to the index methodology for additional details on each index screen.

Adult entertainment	Civilian firearms	Fossil fuels	For profit prisons
Alcohol	Conventional weapons	Nuclear power	Predatory lending
Gambling	Controversial weapons	Palm oil	
Tobacco	Nuclear weapons	Genetically modified organisms (GMOs)	

Screens are based on revenue or percentage of revenue thresholds for certain categories (e.g. \$500 million or 50%) and categorical exclusions for others (e.g. nuclear weapons).

How the indexes are built

- 1 Screen out various business activities and severe controversies.^{10,11}
- 2 Select issuers with an MSCI ESG Rating of 'BBB' or above for EUSB's and ELQD's index and 'BB' or above for HYXF's index.¹²
 - MSCI ESG Rating scale:



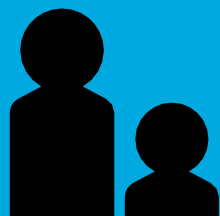
- 3 Apply the following constraints:
 - Currency exposure: USD denominated bonds.
 - Maturity: Minimum maturity requirements of 1y for EUSB and HYXF and 3y for ELQD.
 - Credit quality: EUSB and HYXF include high yield bonds whereas ELQD is investment grade only.
 - Sectors: Broad sectors with the exclusion of energy for EUSB and HYXF and exclusion of Oil & Gas for ELQD.
 - Minimum amount outstanding: Varies across exposures. Same as parent indices.
 - Issuer caps: 3% for ELQD, 2% for HYXF and no cap for EUSB.
- 4 Eligible constituents are market-cap weighted and rebalanced monthly.



Source: Bloomberg and MSCI. For illustrative purposes only. ¹⁰Screens are based on revenue or percentage of revenue thresholds for certain categories and categorical exclusions for others. Please refer to the respective index methodology document for more information. ¹¹Excludes securities with an ESG Controversies Score lower than 3. MSCI ESG Controversies Scores are on a scale of 0-10 (0 represents most severe controversy). ¹²The MSCI ESG Rating indicates how well an issuer manages its most material ESG risks relative to sector peers. Issuers with low risk exposure and strong management of ESG risk factors score highest (AAA); issuers with high risk exposure and weak management of ESG risk factors score lowest (CCC). Ratings are based on a seven-letter scale: best (AAA) to worst (CCC).

Seek to make an impact with BGRN

Green bonds are fixed income instruments in which the proceeds will be exclusively applied towards environmental projects. A one million US dollar investment in BGRN's holdings would have created the following environmental impacts equivalent to:



43,838

**new passengers/
year on public transit**



930

**MWh/year of renewable
energy generated**



239

**people benefitting from
forest, agriculture,
water/waste projects**

Sources: BlackRock and Nasdaq analysis of publicly available environmental impact reports as communicated by issuers as of 6/28/2024 based on holdings as of 6/28/2024, updated monthly. Holdings are subject to change. For current holdings visit iShares.com. 89% of iShares USD Green Bond ETF's constituents are covered by the analysis. The above results are shown for informational purposes only, to illustrate the positive environmental impact of a green bond portfolio. They are not meant to be a prediction or projection. Not every issuer reports on every metric, hence no linear extrapolation should be performed. BlackRock cannot be held responsible for inaccuracies in issuers' reporting. US EPA's Greenhouse Gas Equivalencies Calculator for CO2 and energy measures.

How the index is built

Bloomberg MSCI USD Green Bond Select Index

- 1 The index includes bonds that meet the Green Bond Principles, as determined by MSCI ESG Research. The Green Bond Principles (GBP) are voluntary process guidelines for issuing green bonds, published by the International Capital Market Association (ICMA). GBP promotes best practices in issuing bonds serving social and/or environmental purposes through guidelines that recommend transparency, disclosure and reporting.¹³
- 2 Screen out thermal coal and controversial weapons, and excludes any issuer with a "Red" MSCI ESG Controversy Flag (score equal to zero)¹⁴
- 3 Apply the following constraints:
 - Currency exposure: Principal and interest must be denominated in USD
 - Maturity: Holds bonds until final maturity (0 to 30+ years)
 - Credit quality: Investment grade only (Baa3/BBB-/BBB- or higher)
 - Optionality: Fixed-rate bullet, puttable, sinkable/amortizing and callable bonds are included
 - Sectors: Treasury, corporate, government-related, securitized bonds and taxable municipals are included; general purpose bonds are excluded
 - Minimum issue size: 300mn: USD | 25mn: USD (ABS and CMBS)
- 4 Eligible constituents are market-cap weighted and rebalanced monthly.



Source: Bloomberg and MSCI. For illustrative purposes only. Please refer to the index methodology document for more information. ¹³ Securities for inclusion are independently evaluated by MSCI ESG Research to determine whether a fixed-income security should be classified as a green bond. These eligibility criteria reflect themes articulated in the Green Bond Principles.

¹⁴ The Index applies the standard ESG factors outlined in the [Bloomberg MSCI Global Green Bond Index Methodology](#).

**Standardized performance as of
12/31/2024**

Ticker	Expense ratio (Net/ Gross)	Inception date	30-day SEC yield (with/ without waiver)	Contractual fee waiver expiration (if applicable)	1 Year returns		5 Year returns		Since inception	
					NAV	Price	NAV	Price	NAV	Price
SUSB	0.12%	7/11/2017	4.68%	-	4.87%	4.83%	1.79%	1.76%	2.27%	2.28%
SUSC	0.18%	7/11/2017	5.11%	-	2.03%	1.91%	0.11%	0.06%	1.87%	1.87%
EAGG	0.10 % / 0.11 %	10/18/2018	4.54 % / 4.53 %	June 30, 2029	1.23%	1.12%	-0.43%	-0.45%	1.39%	1.38%
BGRN	0.20%	11/13/2018	4.90%	-	2.96%	2.77%	-0.18%	-0.24%	1.59%	1.59%
HYXF	0.35%	6/14/2016	6.87%	-	7.85%	8.37%	3.05%	3.04%	4.85%	4.87%
EUSB	0.12%	6/23/2020	4.58%	-	1.94%	1.83%	--	--	-1.25%	-1.26%
ELQD	0.18%	11/08/2021	5.21%	-	0.91%	0.70%	--	--	-3.39%	-3.35%

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting www.iShares.com or www.blackrock.com. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns. Beginning August 10, 2020, market price returns for BlackRock and iShares ETFs are calculated using the closing price and account for distributions from the fund. Prior to August 10, 2020, market price returns for BlackRock and iShares ETFs were calculated using the midpoint price and accounted for distributions from the fund. The midpoint is the average of the bid/ask prices at 4:00 PM ET (when NAV is normally determined for most ETFs). The returns shown do not represent the returns you would receive if you traded shares at other times. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers.

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.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. Non-investment-grade debt securities (high-yield/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated securities.

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. In addition, companies selected by the index provider may not exhibit positive or favorable ESG characteristics.

Buying and selling shares of ETFs may result in brokerage commissions.

The iShares USD Green Bond ETF's green bond 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 a green bond focus. The Fund's green bond investment strategy may result in the Fund investing in securities or industry sectors that underperform the market as a whole or underperform other funds with a green bond focus. In addition, projects funded by green bonds may not result in direct environmental benefits.

The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility and subject the Fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. The Fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that the Fund's hedging transactions will be effective.

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