

ESG Overview

iShares Core Corporate Bond ETF (ICOR) & iShares Yield Plus ETF (IYLD)

MSCI business involvement screens

In order to help asset owners and managers ensure that their investment decisions comply with client preferences, MSCI ESG Research provides research on companies involved in specific business activities. MSCI ESG Research provides a profile of each company's specific business involvement. The company profile includes details on the company's tie to the activity, any related corporate actions in the last three fiscal years, and ownership information if the company has ties to the business activity through a subsidiary or parent company. Analysts also provide the reported, if disclosed, or an estimated percent of total revenue derived from the business activity in question for screens where information available is regularly sufficient and reliable to produce quality information.

Exclusion	Exclusion Criteria
Controversial Weapons	<ul style="list-style-type: none"> All companies with any tie to Controversial Weapons (cluster munitions, landmines, depleted uranium weapons, biological/chemical weapons, blinding lasers, non-detectable fragments and incendiary weapons), as defined by the methodology of the MSCI Global Ex-Controversial Weapons Indexes available at https://www.msci.com/index-methodology
Fossil Fuel Extraction	<ul style="list-style-type: none"> All companies deriving 5% or more aggregate revenue (either reported or estimated) from thermal coal mining and unconventional oil and gas extraction <ul style="list-style-type: none"> Thermal Coal Mining: Revenue from the mining of thermal coal (including lignite, bituminous, anthracite and steam coal) and its sale to external parties. It does not cover revenue from metallurgical coal; coal mined for internal power generation (e.g., in the case of vertically integrated power producers); intra-company sales of mined thermal coal; and revenue from coal trading Unconventional Oil & Gas Extraction: Revenue from oil sands, oil shale (kerogen-rich deposits), shale gas, shale oil, coal seam gas, and coal bed methane. It does not cover all types of conventional oil and gas production including Arctic onshore/offshore, deep water, shallow water and other onshore/offshore
Thermal Coal Based Power Generation	<ul style="list-style-type: none"> All companies deriving 5% or more revenue (either reported or estimated) from thermal coal-based power generation
Tobacco	<ul style="list-style-type: none"> All companies classified as a "Producer" All companies deriving 5% or more aggregate revenue from the production, distribution, retail, supply and licensing of tobacco-related products
Civilian Firearms	<ul style="list-style-type: none"> All companies classified as "Producer" of firearms and small arms ammunitions for civilian markets. It does not cover companies that cater to the military, government, and law enforcement markets All companies deriving 5% or more aggregate revenue from the production and distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use

Exclusion	Exclusion Criteria
Nuclear Weapons	<ul style="list-style-type: none"> • All companies that manufacture nuclear warheads and/or whole nuclear missiles • All companies that manufacture components that were developed or are significantly modified for exclusive use in nuclear weapons (warheads and missiles) • All companies that manufacture or assemble delivery platforms that were developed or significantly modified for the exclusive delivery of nuclear weapons • All companies that provide auxiliary services related to nuclear weapons • All companies that manufacture components that were not developed or not significantly modified for exclusive use in nuclear weapons (warheads and missiles) but can be used in nuclear weapons • All companies that manufacture or assemble delivery platforms that were not developed or not significantly modified for the exclusive delivery of nuclear weapons but have the capability to deliver nuclear weapons • All companies that manufacture components for nuclear-exclusive delivery platforms • All companies that manufacture nuclear weapons, including nuclear warheads, intercontinental ballistic missiles, and ballistic missile submarines, which are capable of the delivery of nuclear warhead • All companies that manufacture key nuclear weapons components • All companies that are 50 percent or more owned by a company with nuclear weapons involvement • All companies that own 20 to 49.99 percent of a company with nuclear weapons involvement
Global Norms – United Nations Global Compact Compliance	<ul style="list-style-type: none"> • All companies that fail to comply with the United Nations Global Compact (“UNGC”) principles

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