

Press Release

Solactive and SoFi challenging the Status Quo - Two Waived-Fee ETFs released with Solactive underlyings

11 April 2019

ETF expense ratios are gravitating toward zero. The trend kick-started in 2018, with boutique and established ETF providers following suit, seeking index providers that offer cost-efficient indexing solutions to make such fee structures possible. Therefore, Solactive is pleased to announce the release of two indices labeled **Solactive SoFi US 500 Growth Index** and **Solactive SoFi US Next 500 Growth Index**, both serving as the underlying for two ETFs featuring a radical zero-fee¹ waiver approach: the **SoFi Select 500 ETF** and the **SoFi Next 500 ETF**. Both funds are released by disruptive online personal finance company SoFi. These funds allow investors widespread access to the US broad market and will be free of charge through at least June 30, 2020.

The indices underlying the ETFs are based on the **Solactive US Broad Market Index**, which includes equity securities of approximately 3,000 of the largest U.S. companies. While the **Solactive SoFi US 500 Growth Index** tracks the 500 largest constituents measured by market capitalization of its umbrella-index, its sibling, the **Solactive SoFi US Next 500 Growth Index**, contains the 501st through the 1,000th largest US companies, effectively focusing on 500 mid-cap sized players.

Furthermore, the weighting of each index constituent rests upon three fundamental factors that Solactive uses to define an overall Growth Score. It takes into account each company's sales and net income growth over the previous 12 months as well as a 12-month forward looking net income growth. Solactive combines each of the three factors equally to derive an overall growth score, which establishes the framework for each constituent's individual weighting. Utilizing the individual stock's market capitalization as the starting point, the stock-specific Growth Score over or underweights the index members relative to their initial market capitalization weight. Additionally, the indices include a 20% buffer rule to limit index turnover.

Timo Pfeiffer, Head of Research at Solactive, comments: *"We are proud to find in SoFi another disruptive player that shares Solactive's spirit and audacity to challenge the status quo. As foreseen in our blog last year, we have spotted the trend towards zero fees, which finally becomes a reality. SoFi's advancement in technology-*

Solactive AG
German Index Engineering
Guiollettstr. 54
60325 Frankfurt am Main
Germany

Timo Pfeiffer
Head of Research
+49 (69) 719 160-320
pfeiffer@solactive.com

Fabian Colin
Head of Sales
+49 (69) 719 160-220
colin@solactive.com

Phil Wiedbrauck
PR & Communications
+49 (69) 719 160-311
phil.wiedbrauck@solactive.com

based investing and brokerage mirrors Solactive's drive to utilize IT infrastructure to effectively add value for our clients. We are excited to be part of SoFi's first steps into the ETF world."

Anthony Noto, CEO of SoFi, comments: *"As a new player in the ETF space, we extensively researched the best partners and all signs pointed to Solactive. We're thrilled to be partnering with Solactive to bring these two funds to market."*

The SoFi Select 500 ETF (NYSE: SFY) and the SoFi Next 500 ETF (NYSE: SFYX) will list on the New York Stock Exchange on 11th of April.

For further information, please visit: www.solactive.com

Solactive AG
German Index Engineering
Guiollettstr. 54
60325 Frankfurt am Main
Germany

Timo Pfeiffer
Head of Research
+49 (69) 719 160-320
pfeiffer@solactive.com

Fabian Colin
Head of Sales
+49 (69) 719 160-220
colin@solactive.com

Phil Wiedbrauck
PR & Communications
+49 (69) 719 160-311
phil.wiedbrauck@solactive.com

Note to editors

About Solactive

Solactive AG is an innovative index provider that focuses on the development, calculation and distribution of tailor-made indices across all asset classes. As at January 2019, Solactive AG served approximately 400 clients in Europe, America and Asia, with approximately USD 200 billion invested in products linked to indices calculated by the company globally, primarily via 380 exchange-traded funds from a number of well-known providers. Solactive AG was established in 2007 and is headquartered in Frankfurt.

About SoFi

SoFi helps people achieve financial independence to realize their ambitions. Our products for borrowing, saving, spending, investing, and protecting give our more than half a million members fast access to tools to get their money right. SoFi membership comes with the key essentials for getting ahead, including career advisors and connection to a thriving community of like-minded, ambitious people. For more information, visit SoFi.com.

Disclaimer

The information in this document does not constitute tax, legal or investment advice and is not intended as a recommendation for buying or selling securities. Solactive AG and all other companies mentioned in this document are not responsible for the consequences of reliance upon any opinion or statement contained herein or for any omission.

Solactive AG, Guiollettstr. 54, 60325 Frankfurt am Main, Germany. Registered Office: Frankfurt am Main, Registration Court: Amtsgericht Frankfurt am Main, HRB: 79986, USt-IdNr.: DE 255 598 976. Management Board: Steffen Scheuble, Christian Grabbe, Christian Vollmuth, and Dirk Urmoneit, Head of Supervisory Board: Dr Felix Mühlhäuser.

¹ Investors buy and sell ETF shares through a brokerage account or an investment adviser like ordinary stocks, brokerage commissions and/or transaction costs or service fees may apply. Please consult your broker or financial advisor for their fee schedule. The Fund's investment adviser has agreed to waive its Management Fees for the Funds until at least June 30, 2020.

Solactive AG
German Index Engineering
Guiollettstr. 54
60325 Frankfurt am Main
Germany

Timo Pfeiffer
Head of Research
+49 (69) 719 160-320
pfeiffer@solactive.com

Fabian Colin
Head of Sales
+49 (69) 719 160-220
colin@solactive.com

Phil Wiedbrauck
PR & Communications
+49 (69) 719 160-311
phil.wiedbrauck@solactive.com

Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information are in the prospectus. A prospectus may be obtained by visiting www.sofi.com/invest/etfs. Please read the prospectus carefully before you invest.

There is no guarantee that the Fund's investment strategy will be successful. Investments in REITs involve unique risks. Securities in the real estate sector are subject to the risk that the value of their underlying real estate may go down. Shares may trade at a premium or discount to their NAV in the secondary market, and a fund's holdings and returns may deviate from those of its index. These variations may be greater when markets are volatile or subject to unusual conditions. A high portfolio turnover rate increases transaction costs, which may increase the Fund's expenses. The Funds are new and have a limited operating history. The funds are passively managed and attempt to mirror the composition and performance of The Solactive SoFi US 500 Growth Index and The Solactive SoFi US Next 500 Growth Index. The Fund's returns may not match due to expenses incurred by the Funds or lack of precise correlation with the index. It is not possible to invest directly in an index. You can lose money on your investment in the Fund. Diversification does not ensure profit or protect against loss in declining markets.

SoFi ETFs are distributed by Foreside Fund Services, LLC.

Solactive AG
German Index Engineering
Guiollettstr. 54
60325 Frankfurt am Main
Germany

Timo Pfeiffer
Head of Research
+49 (69) 719 160-320
pfeiffer@solactive.com

Fabian Colin
Head of Sales
+49 (69) 719 160-220
colin@solactive.com

Phil Wiedbrauck
PR & Communications
+49 (69) 719 160-311
phil.wiedbrauck@solactive.com