

Press Release

Solactive and ISS ESG create new Solactive ISS ESG Beyond Plastic Waste Index covering companies active in the reduction of plastic pollution

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In its history, humanity produced 7.8 billion tonnes of plastic until 2015, roughly one tonne per person alive today. After its usage, plastic partly gets "revived" as a PET bottle or even in a T-Shirt. While this process remains the best-case scenario, large amounts of plastic are flushed into the ocean where it may become eaten by aquatic animals, eventually ending up in humans' stomachs. According to a study from WWF, each person consumes five grams of microplastic each week, which is the exact quantity used to produce one credit card. Solactive partnered with ISS ESG, the responsible investment arm of Institutional Shareholder Services, to develop an index that only includes companies that are engaged in the reducing, reusing, and/or recycling of plastics.

The issue of plastic waste appears on the radar of the world's most influential governmental and supranational institutions. A prime example denotes the UN Environment's Global Plastics Platform, whose goal is to reduce plastic pollution and support the shift towards a more circular economy. The platform's inception indicates further and stricter regulatory coverage of the issue, designating a long-term advantage for companies, which adopt this trend early on. Presumably, early adaptors will bear higher costs in the short run but will most likely benefit from a competitive advantage later on.

The new **Solactive ISS ESG Beyond Plastic Waste Index**, for example, includes companies offering solutions for efficient plastic recycling and the reductions of plastic pollution as well as corporations providing reusable products to replace single-use plastic or even viable substitutes for plastic-based products.

"The reduction of plastic waste is one of the greatest contemporary challenges confronting society," says Timo Pfeiffer, Head of Research at Solactive. He continues: "According to the Ellen MacArthur Foundation, by 2050, there could be more plastic than fish in the sea by weight. Our new Solactive ISS ESG Beyond Plastic Waste Index recognizes companies, which take on the responsibility in an early stage, building a framework for asset managers to provide their clients the opportunity to invest consciously."

The index is available for licensing and may be used as the basis for ETFs and structured products, benchmarking purposes or as the starting universe for customized index strategies. Current index components are, for example, Brambles Ltd., which specializes in the provision of reusable pallets, crates, and containers

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in the field of packaging as well as BillerudKorsnäs AB, which is active in the field of pulp and paper manufacturing and provides renewable packaging material.

Marija Kramer, Managing Director at ISS ESG comments: "Today's launch of the Solactive ISS ESG Beyond Plastic Waste Index is very timely, given the sharp focus across the public and private sector, globally, on the mounting problem of plastic waste. With this index, investors will now be able to readily identify those companies taking a proactive approach to addressing plastic pollution and, conversely, portfolio companies who fall behind in this area."

For further information, please visit: www.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.

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