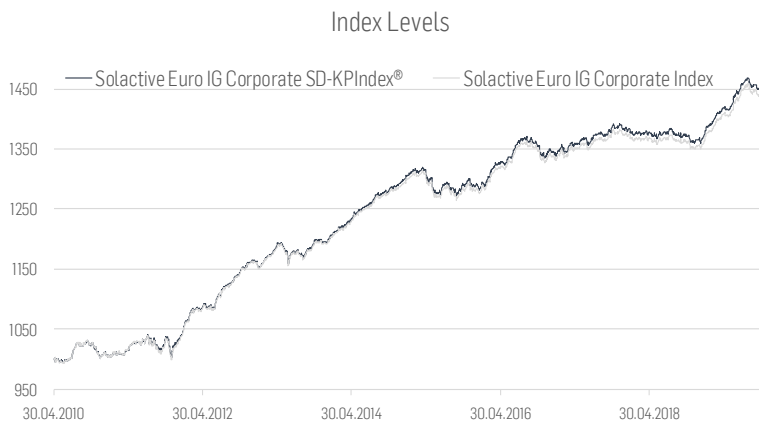





# Solactive Euro IG Corporate SD-KPIIndex®



## Why Solactive Bond Indices?

- 
**Opportunity:** Easy access to Corporate Investment Grade Bonds with an ESG Overlay
- 
**Flexibility:** Customization options for specific customer needs are granted
- 
**Quality:** Solactive was awarded "Best Index Provider of the Year" and "Most Innovative ETF Index Provider in Europe" for 2017<sup>1</sup>

The **Solactive Euro IG Corporate SD-KPIIndex®** is a diversified, rules-based corporate bond index which includes, Euro denominated investment grade debt. The index uses a special weighting mechanism to deviate from the market cap benchmark weights according to the SD-KPIIndex® methodology

## Universe Selection

The Solactive Euro IG Corporate SD-KPIIndex® uses the same selection as the Solactive Euro IG Corporate Index (the benchmark). Only Euro denominated investment grade bonds are included.

Additionally, the following filters are applied:

- Amount Outstanding EUR 500 million,
- Minimum time to maturity of at least one year as of each adjustment date.
- Rating: Each bond must be rated BBB- by Standard & Poor's or Baa3 by Moody's Investor Services. If at least one of the rating agencies rates the bond as investment grade it will be included in the index.
- Only fixed rate, zero coupon, PIK, step-up, bearer and callable perpetual bonds will be included in the index.
- Variable coupon, covered, inflation-linked, sinking fund, CoCo, convertible bonds are excluded from the index. Additionally, preferred securities, CDOs and bonds from supranational organizations as well private placements will not be included.



## Rebalancing and weighting rules

The constituents of the Benchmark Index are weighted based on their prorated market value in relation to the total market value of the index. This weighting is the starting point for the final weighting of the bonds in the Solactive SD-KPIIndex® Family.

In accordance with the SD-KPIIndex® methodology, the initial weights of the benchmark are adjusted as follows: On each selection day, the members of the benchmark index are split into quintiles based on the corresponding SD-KPIIntegration® scores. The best 20% percent are overweighted by 50%, the second 20% by 25%, the middle quintile is equal weighted, and the two lower quintiles are underweighted by 25% and 50% respectively compared to the benchmark.

Thus, bonds of companies with particularly high SD-KPIIntegration® scores are overweighted. The "Sustainable Development Key Performance Indicators" (SD-KPIs) are three industry specific ESG indicators, which have been defined in SD-KPI Standards by SD-M® GmbH with the support of the German Federal Ministry for Environment and the Sustainability Accounting Standard Board (SASB).

As the weighting scheme does not exclude bonds from the initial universe, the index remains well diversified. The setup of the index allows for various customized index variants i.e. exclusion of specific bonds, maturity limitation and other criteria.

<sup>1</sup> 15th Europe Structured Products & Derivatives Conference 2018. Available at: [https://www.structuredretailproducts.com/uploads/general\\_files/SR/SRP's\\_15th\\_Europe\\_Structured\\_Products\\_&\\_Derivatives\\_Awards\\_Winners\\_2018\\_1.pdf](https://www.structuredretailproducts.com/uploads/general_files/SR/SRP's_15th_Europe_Structured_Products_&_Derivatives_Awards_Winners_2018_1.pdf)  
 14th Annual Global ETF Awards. Available at: <http://www.globletfawards.com/>

# Solactive Euro IG Corporate SD-KPIndex®

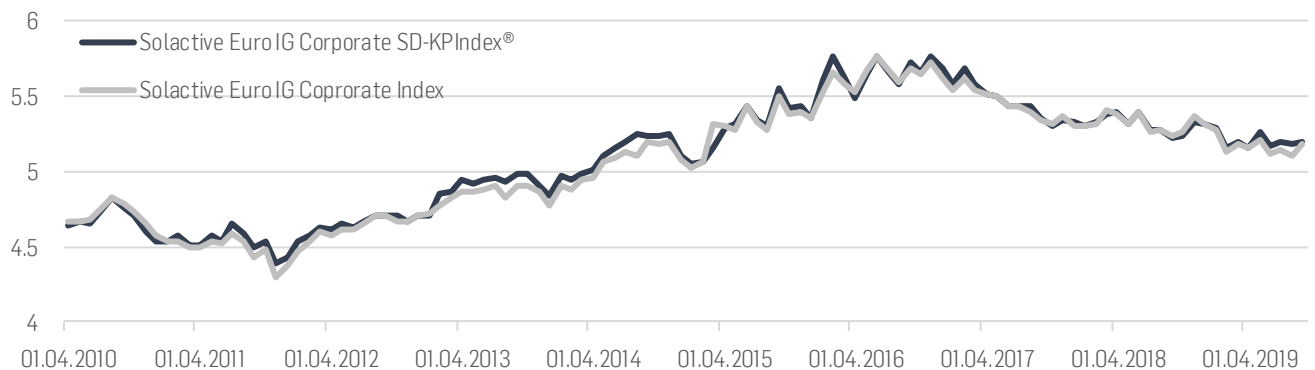
## ✂ Index Characteristics

Currency	Market	Region	Return Type	Reinvestment	Price Definition	Preisanbieter	Start of Backtest
EUR	Corporates	Global	Total Return	monatlich	Bid-Ask	ICE	30.04.2010

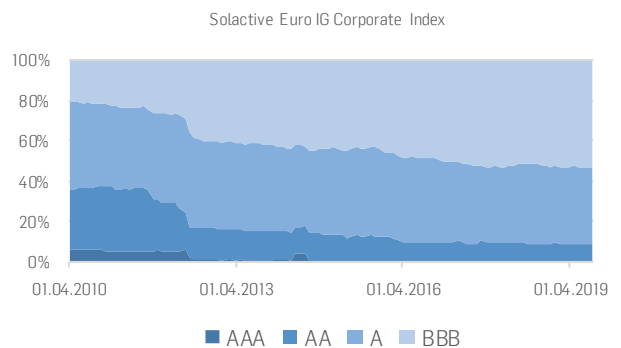
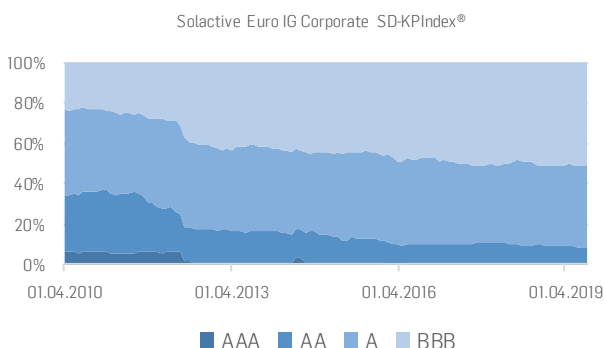
## 📊 Index Performance

	Solactive Euro IG Corporate SD-KPIndex®	Solactive Euro IG Corporate Index
Annualized Performance (since inception)	3.84%	3.77%
Annualized Volatility (since inception)	2.20%	2.19%
Tracking Error (since inception)	0.10%	0.00%
Annualized Performance (1 year)	5.91%	5.90%
Annualized Volatility (1 Year)	1.70%	1.71%
Tracking Error (1 Year)	0.04%	0.00%
Annualized Performance (3 years)	2.58%	2.53%
Annualized Volatility (3 years)	1.77%	1.78%
Tracking Error (3 years)	0.06%	0.00%

## 🌐 Historic Index Duration



## ⚙ Historic Rating Exposure



### Disclaimer

All numbers on this document are updated as of 11th November 2019.

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# Solactive Euro IG Corporate SD-KPIIndex®

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Past performance should not be considered as indication or guarantee of any future results. Charts and graphs are provided for illustrative purposes.

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