

Press Release

Solactive expands its Solactive ISS ESG Screened Corporate Bond Index Series with High Yield & Investment Grade Bonds denominated in EUR and USD

24 June 2020

As investors' demand in ESG investments rises, German index Provider Solactive launched today its expansion for its ISS ESG Screened Corporate Bond Index series, now pooling High Yield & Investment Grade Bonds denominated in EUR and USD in respective market value-weighted indices. The new index families are tailored to investors seeking portfolio diversification, including only companies operating in accordance with recognized standards on ESG controversy screens, which, in light of increasing regulatory initiatives by political institutions, become more and more market standard.

As its underlying universe, the **Solactive ISS ESG Screened Corporate Bond Index Series** utilizes the Solactive Investment Grade and High Yield Corporate benchmark families and trials its constituents through an issuer-based screening executed by ISS ESG. The screening contains the market standard criteria such as the U.N. Global Compact, verified involvement in controversial weapons, and engagement at specified revenue thresholds in certain controversial activities such as, among others, fossil fuels, military contracting, tobacco, and gambling.

Given the volatile nature of the current market, uncertainty surrounding global trade policies, and steadily rising interest rates, the **Solactive ISS ESG Screened Corporate Bond Index Series** offers a combination of both stability and income to investors seeking to navigate the current market environment. Since investment-grade corporate bonds are issued by high-quality corporations, they are generally less volatile than the broad equity market, while their inherent credit risk can offer a higher yield compared to similar-maturity government bonds.

"ESG becomes the mainstream. This is an inevitable trend," says Timo Pfeiffer, Chief Markets Officer at Solactive. "For investors trying to diversify their portfolio in current market situations, we, together with ISS ESG, developed an index that serves as a suitable tool in times of uncertainty. This new release demonstrates our expertise in incorporating cutting edge exclusion standards into our fixed income indices."

The expansion of the **Solactive ISS ESG Screened Index Series** corroborates the longstanding relationship between Solactive and responsible investment arm of Institutional Shareholder Services Inc., ISS ESG.

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Timo Pfeiffer
CMO
+49 (69) 719 160-320
timo.pfeiffer@solactive.com

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

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

Previously the two companies worked together in the creation of the Solactive ISS ESG Climate Transition Benchmarks, including both Climate Transition (CTB) and Paris Aligned (PAB) Benchmarks for equity, and notably, as the first offer in the market, Fixed Income variants, which are in line with a 2°C scenario through 2050, allowing investors to be at the forefront of an immediate transition towards the Paris Agreement's goals.

The **Solactive ISS ESG Screened Corporate Bond Index Series** went live on 22nd of June.

For further information, please visit: <http://www.solactive.com>

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Timo Pfeiffer
CMO
+49 (69) 719 160-320
timo.pfeiffer@solactive.com

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

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

Note to editors

About Solactive

Solactive is a leading provider of indexing, benchmarking, and calculation solutions for the global investment and trading community. Headquartered in Frankfurt, and with offices in Hong Kong, Toronto, Berlin, and Dresden, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 250 staff's expertise in data, data science, financial markets, and technology enables our clients' continued success through the delivery of a superior experience, unique customization capabilities, and the best value for money available in the industry. With more than 14,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at April 2020, Solactive served approximately 450 clients across the world, with approximately US\$200 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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, Platz der Einheit 1, 60327 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 Vollmuth, Timo Pfeiffer, and Dirk Urmoneit, Head of Supervisory Board: Dr Felix Mühlhäuser.

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 Frankfurt am Main
Germany

Timo Pfeiffer
CMO
+49 (69) 719 160-320
timo.pfeiffer@solactive.com

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

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