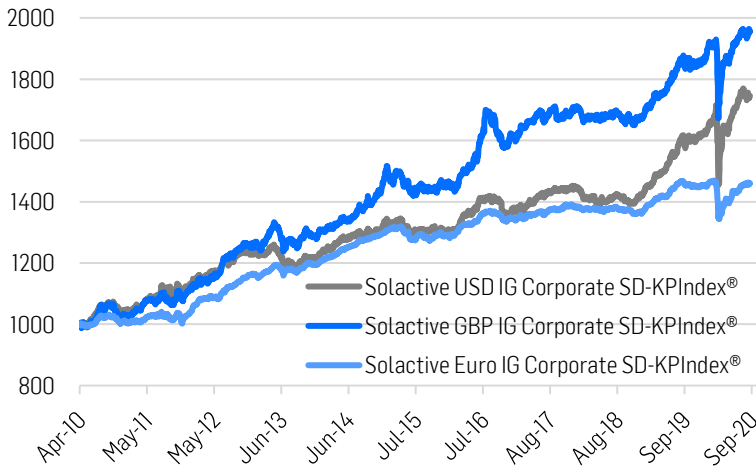





## Solactive SD –KPI Index Family



### 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
- 
**High 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 SD-KPI Index Family** includes three well diversified corporate bond indices. Each index uses a special weighting mechanism to deviate from the market cap benchmark weights according to the SD-KPI Index methodology.

### Selection universe

The **Solactive SD-KPI Index Family** is based on the well known Solactive Corporate Bond Benchmark Index Family, which includes: Solactive Euro IG Corporate Index, Solactive USD Investment Grade Corporate Index and the Solactive GBP IG Corporate Index TR. The selection criteria of all three SD-KPI Indices match the selection criteria of the respective benchmark indices.

All indices offer an easy and uncomplicated access to a broad and diversified pool of corporate bonds.

Selection criteria include:

- Minimum Amount Outstanding: EUR500 million, USD 400 million GBP250 million
- Corporate bonds only
- Rating: Investment Grade
- Minimum Time To Maturity: 18 months for new bonds to enter into EUR, USD and GBP indices. 12 months for existing bonds in the index for EUR and GBP and 18 month for USD respectively
- Fixed coupon bonds including zero coupon bonds solely

### 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-KPI Index Family.

In accordance with the SD-KPI Index® 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-KPI Integration® 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-KPI Integration® 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 with the support of the German Federal Ministry for Environment and the Sustainability Accounting Standard Board (SASB) of SD-M® GmbH.

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.globaletfawards.com/>

# Solactive USD IG Corporate SD-KPI Index

## Characteristics

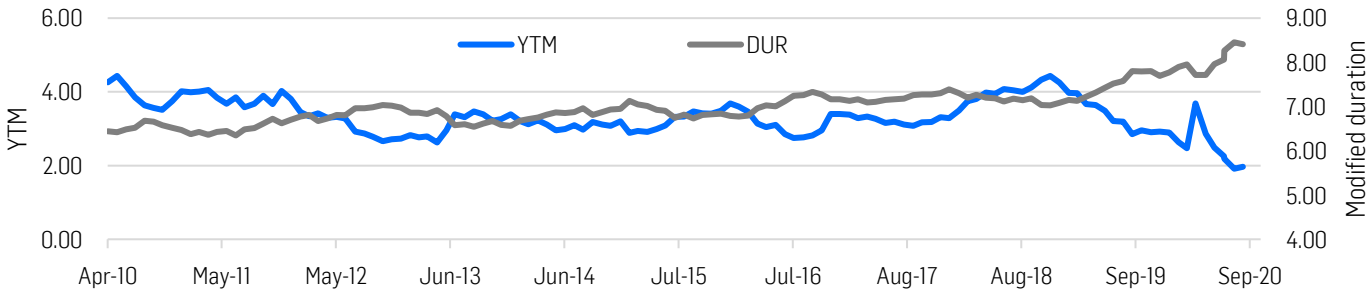
ISIN	Reuters RIC	Bloomberg Ticker	Currency	Return Type	Region	Category
DE000SLA9SL3	.SOLUSDS	n/a	USD	Total Return	Global	Corporate

Calendar	Start of backtesting	Launch date	Reinvestment	Price definition	Pricing provider	Capping rules	Settlement convention
NYSE / SIFMA	30-04-2010	20-11-2019	Monthly	Bid-Ask	ICE	Capped	T + 0

	Cumulative performance	Annualized performance
Year-to-date	7.45%	10.54%
1 year	10.39%	10.39%
3 years	21.56%	6.72%
5 years	34.02%	6.03%
Since inception	74.62%	5.44%

	Since inception
Annualized Return	5.52%
Annualized Volatility	5.20%
Maximum Drawdown	-15.25%
Sharpe Ratio	1.060
VaR 95%	-0.47%

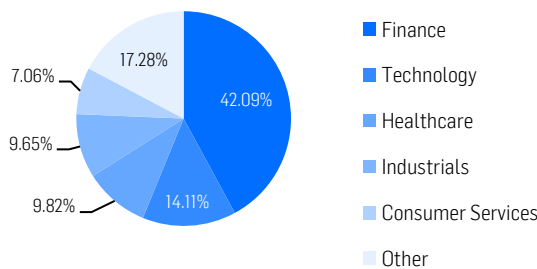
## Yield to Maturity, Modified Duration (monthly)



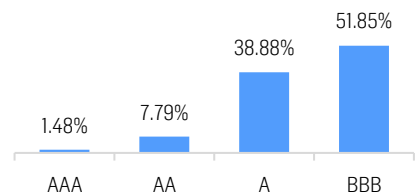
## Composition as of 15-09-2020

Key facts		
Number of bonds	Yield to Maturity	Modified Duration
6575	1.97%	8.61

### Sector Exposure



### Rating Breakdown



# Solactive GBP IG Corporate SD-KP Index

## Characteristics

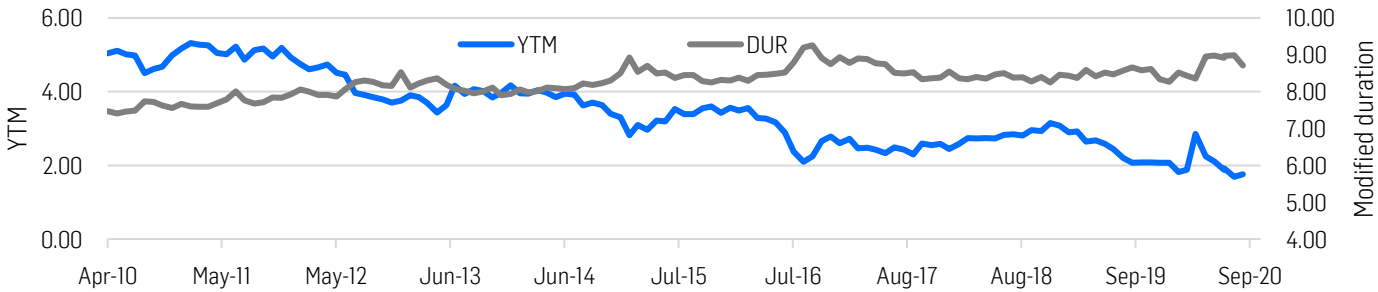
ISIN	Reuters RIC	Bloomberg Ticker	Currency	Return Type	Region	Category
DE000SLA9SN9	.SOLGBPSD	n/a	GBP	Total Return	Global	Corporate

Calendar	Start of backtesting	Launch date	Reinvestment	Price definition	Pricing provider	Capping rules	Settlement convention
European Banking Holidays / LSE	30-04-2010	20-11-2019	Monthly	Bid-Ask	ICE	Capped	T + 0

	Cumulative performance	Annualized performance
Year-to-date	4.75%	6.69%
1 year	5.98%	5.98%
3 years	16.37%	5.18%
5 years	35.41%	6.25%
Since inception	95.67%	6.68%

	Since inception
Annualized Return	6.68%
Annualized Volatility	5.39%
Maximum Drawdown	-13.32%
Sharpe Ratio	1.241
VaR 95%	-0.51%

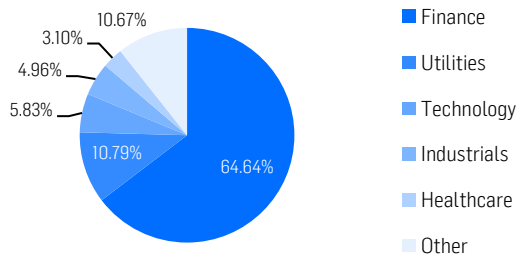
## Yield to Maturity, Modified Duration (monthly)



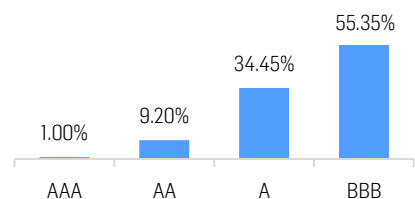
## Composition as of 15-09-2020

Key facts		
Number of bonds	Yield to Maturity	Modified Duration
806	1.72%	9.04

### Sector Exposure



### Rating Breakdown



# Solactive Euro IG Corporate SD-KPI Index

## Characteristics

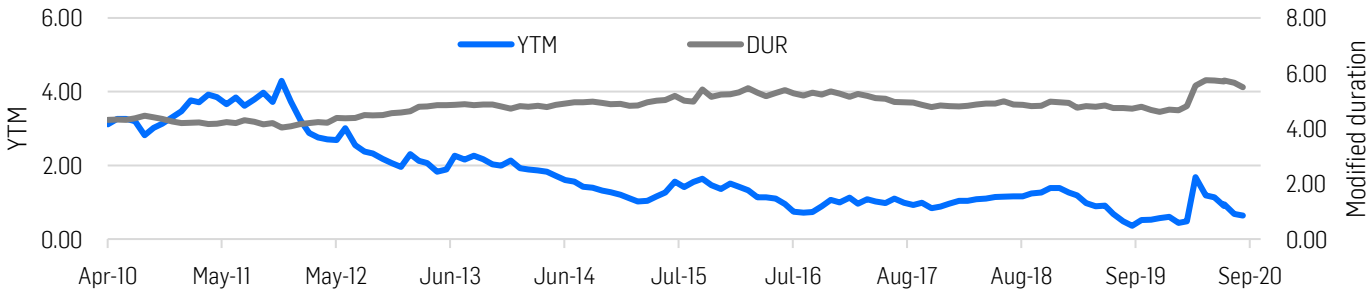
ISIN	Reuters RIC	Bloomberg Ticker	Currency	Return Type	Region	Category
DE000SLA9SK5	.SOLEURSD	n/a	EUR	Total Return	Global	Corporate

Calendar	Start of backtesting	Launch date	Reinvestment	Price definition	Pricing provider	Capping rules	Settlement convention
European Banking Holidays	30-04-2010	20-11-2019	Monthly	Bid-Ask	ICE	Capped	T + 0

	Cumulative performance	Annualized performance
Year-to-date	0.56%	0.78%
1 year	0.40%	0.40%
3 years	6.34%	2.07%
5 years	13.69%	2.60%
Since inception	46.08%	3.72%

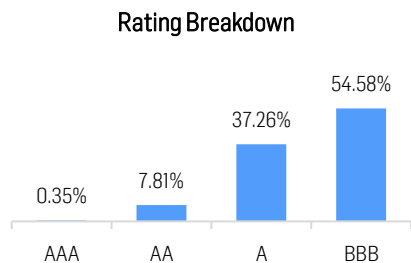
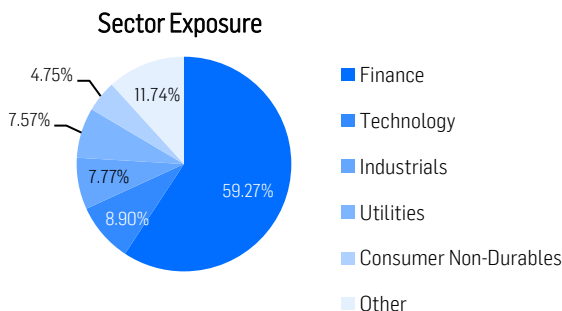
	Since inception
Annualized Return	3.72%
Annualized Volatility	2.52%
Maximum Drawdown	-8.52%
Sharpe Ratio	1.48
VaR 95%	-0.23%

## Yield to Maturity, Modified Duration (monthly)



## Composition as of 15-09-2020

Key facts		
Number of bonds	Yield to Maturity	Modified Duration
3149	0.54%	5.44



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