

Press Release

Solactive launches ESG Big Data Europe Index, developed with ARC Responsible Investment based on OWL Analytics data

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Solactive is pleased to announce the launch of the Solactive ARC ESG Big Data Europe Index, which was developed with ARC Responsible Investment earlier this year, and is designed to track the performance of European stocks with a high consensus Environmental, Governance, and Social (ESG) Score, based on data provided by OWL Analytics and Investment Research. Simultaneously, the Index includes high dividend stocks and displays a low-risk profile. HSBC has licensed the Index to manufacturing products for its markets clients.

"This project exemplifies Solactive's flexibility in tailoring indices to meet clients' needs," explains Timo Pfeiffer, Head of Research at Solactive. He continues: "We are incorporating cutting-edge ESG metrics derived from a big data approach, thereby excluding non-compliant activities and sectors as well as polluting companies, which allows our clients to access the latest innovations in ESG."

As a response to investors' growing demand for incorporating ESG factors in their investment strategies, Solactive established the **Solactive ESG Big Data Europe Index**. The index strategy seeks to achieve lower volatility and lower drawdowns compared to its benchmark, the **Solactive GBS Developed Markets Large & Mid Cap Index**.

Xavier Ducros, Founding Partner at ARC Responsible Investment, commented: *"The index allows investors to benefit from an innovative and smart ESG approach while reducing the overall risk of the portfolio, achieved thanks to various risk factors."*

OWL Analytics is an alternative data company that aggregates hundreds of sources of ESG data and research to create company scores and rankings based on a stronger foundation of data, optimized to increase objectivity. After the fundamental selection, Solactive applies financial screenings such as liquidity, dividend-yield, and risk filters to build the final index composition.

Benjamin Webster, CEO at OWL Analytics, said: *"We are delighted to be part of this new generation ESG index by integrating our proprietary technology ESG strategy that reduces subjectivity in ESG scoring providing the best-of-the-best ESG consensus."*

Solactive AG
German Index Engineering
Platz der Einheit 1
60327 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

Patrick Kondarjian, Head of Sales at HSBC, adds: *"The Solactive ARC ESG Big Data Europe Index will provide HSBC with an innovative alternative product that we will be able to offer our clients who have a preference for consensus-based ESG scoring."*

The **Solactive ARC ESG Big Data Europe Index** is calculated as Gross Total Return, Net Total Return, and Price Return. The index is published in EUR, and its composition is adjusted quarterly.

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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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, 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
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