

## Press Release

### Solactive Partners with Osmosis to Launch Resource Efficient Core Equity Ex-Fossil Fuels Global Equity Index, with £200m Seed Investment from East Sussex Pension Fund

16 February 2022

**FRANKFURT AM MAIN –** Over the last few years, investors have been increasingly considering aligning investment decisions with ESG values. Last year, this focus increased as the entire world watched heads of states' debates on effective actions against climate change at the UN Climate Change Conference (COP26) in Glasgow, Scotland. Now, Solactive is pleased to announce that East Sussex Pension Fund has partnered with sustainable investment manager Osmosis to launch a £200m global equity ex-fossil fuels portfolio linked to Solactive Osmosis Resource Efficient Core Equity Ex-Fossil Fuels Index.

The index aims to track the performance of large-mid cap global developed market securities operating in accordance with certain market standards on **ESG** controversy screens. It excludes companies that generate more than 5% of their revenue from fossil fuels or from nuclear power. Companies that produce nuclear weapons, controversial weapons or civilian firearms are also excluded, as well as tobacco companies and those that breach the **UN Global Compact Principles**.

At the same time, the index targets companies that are efficient in their productive use of resources, delivering reduced carbon emissions, water consumption and waste generation, relative to economic output. The **Resource Efficient Ex-Fossil Fuels Index** addresses the supply side of fossil fuels through divestment but also, uniquely, the demand side through the targeting of resource-efficient companies across the rest of the economy. This dual approach seeks to protect investors from potential value destruction, as regulatory and financial pressures on the fossil fuel industry intensify, while also limiting the economic impact of potential energy price reflation in a post-Covid recovery.

This approach forms part of **East Sussex's** ongoing commitment to address the investment challenges presented to their passive holdings by the energy transition. **East Sussex Pension Fund's** consultant **Isio** has supported the development of an investment strategy aligned with the Fund's objectives. The equity strategy will be advised by **Osmosis Investment Management** with **UBS Asset Management** acting as Investment Manager, under the current Passive Service Agreement, as set out by the **National LGPS (Local Government Pension Scheme)** Frameworks Team.

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

**Steffen Scheuble**  
**CEO**  
+49 (69) 719 160-20  
[steffen.scheuble@solactive.com](mailto:steffen.scheuble@solactive.com)

**Timo Pfeiffer**  
**CMO**  
+49 (69) 719 160-320  
[timo.pfeiffer@solactive.com](mailto:timo.pfeiffer@solactive.com)

**Maria Seifert**  
**PR & Communications**  
+49 (69) 719 160-311  
[maria.seifert@solactive.com](mailto:maria.seifert@solactive.com)

Timo Pfeiffer, Chief Markets Officer at Solactive, comments: *"Solactive's longstanding innovative strengths in ESG indices root from our commitment to provide our clients with the most seamless and fitting ESG solution as well as from our clients commitment to tilt their portfolios in this direction. We are happy that Osmosis Investment Management have chosen us as their index provider of trust, and we are pleased that, with our indices, investors have the chance to make the world a greener place."*

Ben Dear, Osmosis' CEO says: *"We have seen a rapid increase in funds managed against our suite of Core Equity strategies, and, through this partnership with Solactive, we are now able to offer our ex-fossil fuel strategy as index to the broader investment community but in particular to the LGPS utilising their existing passive service agreements under the UK national framework. Assets against our core equity range have passed \$2 billion, and demand is growing as investors seek to mitigate the environmental risks in their portfolios while managing and targeting the active risk towards a source of sustainable return."*

For more information, please visit:

[www.solactive.com](http://www.solactive.com)

[www.osmosisim.com](http://www.osmosisim.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 18,000 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.

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

**Steffen Scheuble**  
**CEO**  
+49 (69) 719 160-20  
[steffen.scheuble@solactive.com](mailto:steffen.scheuble@solactive.com)

**Timo Pfeiffer**  
**CMO**  
+49 (69) 719 160-320  
[timo.pfeiffer@solactive.com](mailto:timo.pfeiffer@solactive.com)

**Maria Seifert**  
**PR & Communications**  
+49 (69) 719 160-311  
[maria.seifert@solactive.com](mailto:maria.seifert@solactive.com)

## About Osmosis

Osmosis launched in 2009 and is majority-owned by management and employees. The company currently manages over \$3bn in sustainable assets and is headquartered in London with a growing presence in Europe, North America, and Australia. Through their unique Model of Resource Efficiency, the company has demonstrated that sustainability metrics, if quantifiable and objective in nature, can be applied to mainstream portfolios to generate alpha.

The Osmosis team of quantitative environmental analysts and portfolio managers is singularly focused on delivering three levels of impact. Better risk-adjusted returns, measurable environmental reductions and an active engagement programme to promote better corporate environmental disclosure.

## 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, Alexander Steiner, and Timo Pfeiffer, Head of Supervisory Board: Dr Felix Mühlhäuser.

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

**Steffen Scheuble**  
**CEO**  
+49 (69) 719 160-20  
[steffen.scheuble@solactive.com](mailto:steffen.scheuble@solactive.com)

**Timo Pfeiffer**  
**CMO**  
+49 (69) 719 160-320  
[timo.pfeiffer@solactive.com](mailto:timo.pfeiffer@solactive.com)

**Maria Seifert**  
**PR & Communications**  
+49 (69) 719 160-311  
[maria.seifert@solactive.com](mailto:maria.seifert@solactive.com)