

Press Release

Solactive and Shinhan Securities Collaborate for the First Time to Launch ETN Tracking Solactive SOFR +10 Daily Index

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FRANKFURT AM MAIN – In a first-time collaboration, Solactive and Shinhan Securities are delighted to announce the new Shinhan Securities Shinhan USD SOFR Plus ETN (Exchange Traded Note) that tracks the Solactive SOFR +10 Daily Total Return Index.

By tracking the index, the ETN provides an approach to investment, leveraging the performance of the index as a benchmark to offer investors perspectives of shelter from market volatility or higher interest rates and serving as a potential hedge investment in the current economic environment.

The ETN is crafted to offer market players a versatile and proficient means to tap into the yield. The SOFR (Secured Overnight Financing Rate) is a benchmark interest rate anchored on US Treasury repurchase market dealings. It is considered a more reliable benchmark rate than the London Interbank Offered Rate (LIBOR) since it is based on observable transaction data rather than estimated borrowing rates. The SOFR rate is used for USD-denominated derivatives and loans, gradually replacing LIBOR as the benchmark interest rate.

The **Solactive SOFR +10 Daily Total Return Index** employs an accumulating daily return strategy designed to provide yields aligned with the SOFR rate. A consistent rate of 10 basis points (0.10%) complements the SOFR rate, shaping the index's daily total return.

The ETN is listed in the Korean Exchange (KRX) under the ticker code of 500084.KS.

Timo Pfeiffer, Chief Markets Officer at Solactive, commented: "We are excited to announce our new partnership with Shinhan Securities, introducing Shinhan Securities Shinhan USD SOFR Plus ETN, which can cater to different investment goals. This product supports the growth of our SOFR index as a key regional benchmark. Amidst a risk-averse economic climate, capital allocation into cash reserves is increasing. The product serves as an instrument for facilitating strategic asset allocation decisions while also serving as a secure investment option in a high-interest-rate environment. It can be a strategic move for those looking to diversify their portfolio, seek competitive yields, and navigate the complexities of the current financial landscape."

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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, Dresden, and Amsterdam, we innovate and disrupt the status quo as the partner of choice for our clients.

The unique blend of our 300 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 26,000 indices calculated daily, we offer a full suite of solutions, including market-leading ESG and thematic indices.

As at January 2023, Solactive served approximately 500 clients across the world, with approximately US\$300 billion invested in products linked to our indices. Solactive is registered with ESMA as a benchmark administrator and is supervised by the BaFin.

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