ZKB MeinIndex Sustainable Solar

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In brief

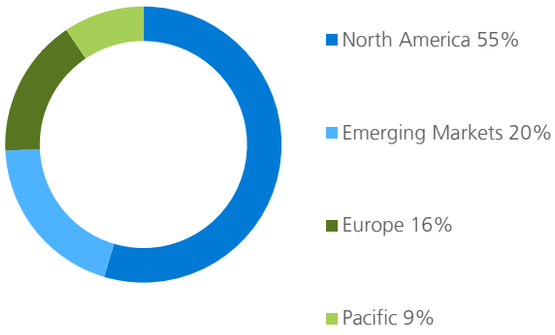
■ Unlike fossil fuels, solar energy is infinitely available and the amount transmitted is equivalent to 5,000 times the world's energy consumption.

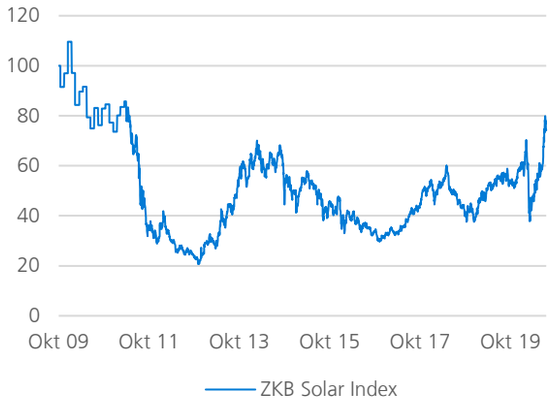
■ Solar energy is available on a decentralized basis, consequently requiring less transfer capacity.

■ The current decade will see photovoltaics achieve network parity (when production costs for solar power are the same as the cost of electricity from the grid).

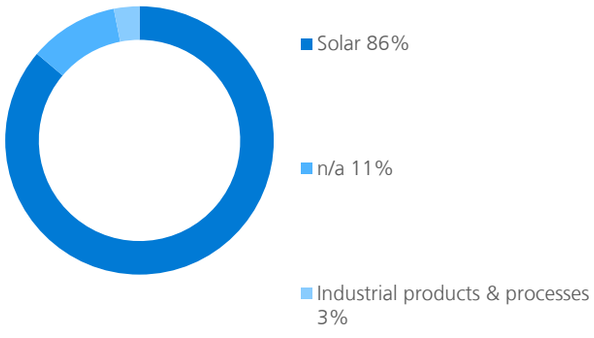
■ The share of solar technologies in the energy mix in year 2040is forecasted at up to 20 % (a growth factor of 320).

Distribution by region as of 31.07.2020





Distribution by portfolio category as of 31.07.2020



Performance figures ZKB MeinIndex Sustainable Solar

Absolute		Annualized
1m	25.4%	
3mths	41.5%	
1y	32.0%	
3y	80.8%	26.9%
5y	54.8%	11.0%
since launch	-25.8%	-2.4%

Annual performance	
2013	124.0%
2014	-9.9%
2015	-6.5%
2016	-34.1%
2017	66.9%
2018	-26.2%
2019	52.2%
2020 YTD	28.1%

Solar energy and sustainability
In future, people will be able to use a large number of different energy sources. Fossil fuels will sooner or later run out, or it will no longer be possible to use them for climate reasons. Renewables can and must take the leading role in future energy provision. Solar power has a vital contribution to make. The energy transmitted to the earth from the sun is around 5,000 times greater than the world's energy consumption. No other renewable energy source can compete with that. A major advantage of solar energy is that it can be harnessed everywhere on earth. For example, a vast number of unused roofs is available for the on-site use of solar energy as electricity or heat. Solar energy can also be added incrementally, i.e. in small units, thus lessening the risk of large-scale power outages. In particular, the production of electricity from the sun – photovoltaics – has made enormous progress over the past 10 years in terms of production technologies and cost reductions. In the foreseeable future, it will be possible for government support to be withdrawn. Production of solar modules is nearing industrial levels, bringing corresponding economies of scale. Costs are also falling as a result, meaning that in the current decade, electricity from photovoltaic modules will cost the same as electricity from the grid ("network parity"). If we accept forecasts from numerous quarters that solar technologies will account for up to 20 % of world energy production by the middle of the 21st century, this represents an enormous growth factor.

ZKB MeinIndex Sustainability Solar
For the ZKB MeinIndex Sustainability Solar, companies that cover a broad range of solar applications for electricity as well as heat and cold generation are selected from the sustainable investment universe of Zürcher Kantonalbank. The main focus is on the provision of products and systems for electricity production. The most widespread form – crystalline photovoltaics – represents an important part of the index. A more precise differentiation is made between the individual stages in the value chain. Other technologies include the various thin-film technologies, solar thermal electricity production and concentrator technologies. Solar thermal applications for heat / cold

Suppliers and raw materials
Crystalline solar technology has its origins in sand. The raw material for the production of solar wafers and cells – crude silicon – is extracted from silica sand. Producers in this sector include manufacturers of machines and other products for the solar industry (producers of raw materials are excluded).

Wafer/cell (production)
Wafers and the cells produced from them are the most important elements in the production of a solar module.

Modules (production)
A solar module is a packaged, interconnected assembly of cells.

All-round suppliers
Companies which are active in two or more stages of the value chain with notable production activities.

New technologies
In terms of new technologies, a distinction is drawn between four different areas: 1) Thin-film: a series of promising approaches based on thin-film technology, such as amorphous silicon, copper indium gallium diselenide (CIGS) and cadmium telluride (CdTe); 2) Solar thermal/concentrators: this category comprises manufacturers of solar thermal electricity production plants and concentrator modules/systems; 3) Project developers: they develop, build and/or operate projects in the solar value chain; 4) Solar thermal heat/cold: comprises manufacturers of plants and systems for the production of solar thermal heat or cold, such as solar collectors.

Key data ZKB MeinIndex Sustainable Solar

CH Sec No.	10 687 107
Bloomberg Symbol	ZKBISOLR

Open End ZKB Tracker Certificates

CH Sec No.	ISIN	Symbol	Tranche
10 716 406	CH0107164060	TRSOLO	Retail
10 716 413	CH0107164136	TRSOLI	Institutionell

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ZKB MeinIndex Sustainable Solar Components as of 31.07.2020

Underlying	Currency	Portfolio category	Weight as of 31.07.2020
5N Plus Inc	CAD	Solar	3.65%
Canadian Solar Inc	USD	Solar	4.31%
Daqo New Energy Corp	USD	Solar	6.08%
Enphase Energy Inc	USD	Solar	4.46%
First Solar Inc	USD	Solar	3.73%
JinkoSolar Holding Co Ltd	USD	Solar	3.77%
Kyocera Corp	JPY	Solar	2.66%
Kyudenko Corp	JPY	Solar	3.01%
Maxeon Solar Technologies Ltd	USD	n/a	0.65%
Nissin Electric Co Ltd	JPY	Industrial products & processes	3.07%
OCI Co Ltd	KRW	Solar	4.22%
Pfeiffer Vacuum Technology AG	EUR	Solar	3.32%
SMA Solar Technology AG	EUR	Solar	3.81%
SolarEdge Technologies Inc	USD	Solar	4.89%
Sunnova Energy International I	USD	n/a	5.83%
SunPower Corp	USD	Solar	3.86%
Sunrun Inc	USD	Solar	13.06%
Vivint Solar Inc	USD	Solar	15.62%
Wacker Neuson SE	EUR	n/a	4.26%
Xinyi Solar Holdings Ltd	HKD	Solar	5.61%