

INDEX RULES



ECPI GLOBAL CARBON WINNERS EQUITY INDEX

AUGUST 2011

TABLE OF CONTENT

- § INTRODUCTION
- § GUIDING PRINCIPLES
- § ELIGIBILITY CRITERIA
- § REVIEW
- § CALCULATION METHOD
- § ADJUSTMENTS FOR CORPORATE ACTIONS
- § APPENDIX A: GLOBAL DEVELOPED MARKETS
- § APPENDIX B: DIVIDEND WITHHOLDING TAXES
- § APPENDIX C: DEFINITIONS
- § CONTACTS

INTRODUCTION

The present document defines the rules for the calculation and management of the ECPI Global Carbon Winners Equity Index. The Index Rules are available on ECPI website, www.ecpigroup.com, and on ECPI Bloomberg page, ECPS <GO>.

ECPI Carbon Winners Equity Index selects the best positioned Companies vis à vis their past and expected CO2 Emissions vs Sector Averages and competitors, in the Global Climate Change scenario. All Carbon Emission data and calculations have been performed by Sustainability Consulting leader Arthur D. Little. All selected companies hold high ECPI ESG Ratings.

SELECTION PROCESS: SECTORS AND STOCKS

Our goal is the selection of the winning stocks in the global warming environment in the foreseeable future on the basis of past and expected CO2 emissions: as a matter of fact emission management will increasingly represent a source of competitive advantage.

Key sectors have been spotted on the basis of the current and expected future CO2 emissions at company level and industry averages.

ECPI has also applied its ESG Screening Methodology and traditional liquidity constraints to build a liquid and hedgeable investment tool. In other words, the single corporate expected reactivity to the long-term reduction trend has been assessed as the necessary condition for the inclusion in the index.

SECTOR SELECTION

Accordingly with the above, we have identified 3 sectors/industries that will be most affected by:

- § high current absolute carbon emissions;
- § high carbon reduction potential;
- § high impact of the Kyoto-driven upcoming regulations.

The resulting relevant sectors are:

- § Electricity
- § Steel and Other Materials
- § Oil and Gas

STOCK SELECTION:

Inside the selected sectors we have then selected the index components on the basis of:

- § ECPI ESG Rating
- § Carbon intensity
- § Carbon Rating
- § Average Carbon Emission of ESG Rated competitors
- § Stock Liquidity

i.e.:

ESG RATING

This is the ESG (“Environmental, Social, and Governance”) evaluation, as reflected by the ECPI ESG Screening Methodology. This is aimed at singling out companies both exposed to the desired climate change-sensitive sectors and at the same time holding the highest unexpressed Intangible Value, according to ECPI Research.

CARBON INTENSITY

Firms are screened for their carbon intensity.

That amounts to the sum of a company’s direct and indirect emissions divided by their net production value.

The screen aims to filter out firms with carbon intensity higher than their peer-group average

CARBON RATING

This rating, developed by ECPI in partnership with Arthur D. Little, assesses the quality of the companies' carbon management strategies for dealing with future physical, reputational, and market hazards along, more importantly, with the regulatory risks posed by climate-change legislation.

The quality, quantity and breadth of information disclosed on the topic are considered a proxy for a company's carbon management.

That information falls under several categories, including:

- § GHG Emissions Management
- § Energy Procurement Mix
- § Governance and Ownership
- § Quality of GHG Emission Reporting
- § Carbon Risk Management

STOCK LIQUIDITY

- § Minimum market capitalization: EUR 1 billion
- § Minimum 6 month average trading volume: EUR 10 million

The Carbon Winners Equity Index benefits from all ECPI traditional advertising/publication tools and becomes another ideal candidate for direct and derivative investment.

GUIDING PRINCIPLES

ECPI Indices are constructed and maintained according to the following principles:

§ **ESG Rated Companies**

The index is representative of the positively/highest ESG-rated companies according to the proprietary ECPI ESG Rating Methodology.

§ **Investible and Replicable**

The index should be capable of being replicated by reference to securities of reasonable size and liquidity.

§ **Disciplined Approach**

The index is constructed and managed using a set of principles, rules and guidelines. This approach is followed to maintain the attributes of stability, diversification across industries and securities accurate with respect to the ESG Rating Methodology.

§ **Transparency**

The index is built and maintained using clear and pre-defined rules in the public domain. The index is published on a daily basis through a variety of well known financial services providers.

§ **Independence and Objectivity**

The index is based on independent and objective content decisions. ECPI believes in an open dialogue with its clients, considering with objectivity their suggestions to enhance the index provision. By analyzing all the feedback received from its clients, ECPI takes the final decision independently in order to preserve the quality of the index.

ELIGIBILITY CRITERIA

ECPI Carbon Winners Equity Index is designed to provide exposure to the best positioned Companies vis à vis their past and expected CO2 Emissions vs Sector Averages and competitors, in the Global Climate Change scenario.

The index is equally weighted and rebalanced annually on the third Friday of June.

To be eligible for the ECPI Carbon Winners Equity Index, a stock must satisfy the following criteria (in which case, it will be an "eligible stock"):

1. it belongs to one of the following sectors/industries:
 - § Electricity
 - § Steel and Other Materials
 - § Oil and Gas
2. it belongs to the Developed Markets as defined in Appendix A
3. it has a positive ECPI ESG Rating (from EEE to E-)
4. the issuer of the stock must have a minimum market capitalization of € 1 billion
5. the average daily traded value of the stock for the last 6 months shall be equivalent to a minimum of € 10 million
6. it has a carbon evaluation score

Additionally, the ECPI Carbon Winners Equity Index has to meet the following criteria (selection order):

7. **Stock Diversification Criteria** – the ECPI Carbon Winners Equity Index will be composed of eligible stocks selected in descending order of Carbon Evaluation Score and subsequently of market capitalization, with 12 being the maximum number of components.
8. **Sector Diversification Criteria** – for each sector/industry a maximum of 5 companies is selected

REVIEW

Annually, on the Reference Date¹ immediately preceding the relevant Rebalance Date², stocks will be selected in accordance with the criteria described above (paragraph 3) as new constituents of the index.

As a consequence, if a constituent company is downgraded between two consecutive review dates so that it doesn't satisfy the eligibility criteria any more, it will be replaced on the immediately following rebalance date.

BUFFER RULE

- § For each reference sector/industry defined in paragraph 3, all current constituents ranked 7 or above in the selection order will remain in the index.
- § For all index constituents, a tolerance of 20% is applied to the market capitalization and 6-months daily average value traded limits. Therefore, a constituent will be allowed to remain in the index if it has a minimum market cap of € 800 million and a minimum liquidity of € 8 million.

STOCK REPLACEMENT

If index constituents are displaced, replacement stocks are selected starting from the highest ranked non-constituent in the reference universe according to criteria defined in paragraph 3.

¹ "Reference Date" means the last business day of May.

² "Rebalance Date" means the third Friday of June provided that if such day is not a Scheduled Trading Day the Rebalance Date shall be the next Scheduled Trading Day.
In the event that the scheduled Rebalance Date is a Disrupted Day, the Rebalance Date for such rebalancing will be the next Scheduled Trading Day which is not a Disrupted Day.

CALCULATION METHOD

On the Reference Date, the number of shares of each stock will be determined so that every stock is equally weighted. This number of shares will be effective from the immediately following Rebalance Date.

From that moment till the following Rebalance Date, the number of shares will be fixed and constituent weights will vary according to price changes (see Paragraph 6, "Adjustments for Corporate Actions", for details on possible share changes).

CALCULATION FREQUENCY

The Index is calculated and published daily, on a next day basis.
Calendar for the Index calculation is the TARGET calendar.

PRICES

The Index end-of-day calculations use official closing prices from the relevant exchanges of the constituent stocks. Such prices shall be converted into euro using the relevant GMT WM Reuters Currency cross rates.

INDEX CALCULATION ALGORITHM

The closing price of securities is converted into Euro and the index is then calculated using the algorithm described below.

The price index is calculated as follows:

$$I(P)_t = I(P)_{t-1} * \frac{\sum_1^n (P_{i,t} N_{i,t})}{\sum_1^n P_{i,t-1} N_{i,t}}$$

Where

- $I(P)_t$ = price index on day t
- $P_{i,t}$ = official closing price in Euro for stock i on day t
- $N_{i,t}$ = number of shares for stock i on day t
- n = number of index constituents

The net total return index is calculated as follows:

$$I(TR)_t = I(TR)_{t-1} * \left(\frac{\sum_1^i P_{i,t} N_i + \sum_1^n D_{i,t} N_{i,t}}{\sum_1^n P_{i,t-1} * N_{,ii}} \right)$$

Where

- $I(TR)_t$ = total return index on day t
- $P_{i,t}$ = official closing price in Euro for stock i on day t
- $D_{i,t}$ = gross (net) dividend in Euro for stock i on the ex-dividend date t
- $N_{i,t}$ = number of shares for stock i on day t
- n = number of index constituents

Note:

The Official Closing Price shall be intended as the official closing price for the stock on the relevant Exchange. The price shall be in Euro or converted into Euro using the foreign exchange spot rate, as defined above. In case, the price of a stock is not available due to exchange holiday, previous day's price is used for index calculations.

See Appendix B for Dividend Withholding Tax Rates used for the calculation of Net Dividends.

ADJUSTMENTS FOR CORPORATE ACTIONS

CORPORATE ACTION	ADJUSTMENT MADE TO INDEX	DIVISOR ADJUSTMENT
DIVIDENDS	Dividends are reinvested in the Index	Unchanged
SPECIAL DIVIDENDS / RETURN OF CAPITAL	Price of the stock making the special dividend payment is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date. Cash from the special dividend is reinvested in the index	Yes
STOCK DIVIDENDS / BONUS ISSUES	No weight change. This event is characterized by a free distribution of new shares to existing shareholders on a pro rata basis. Market Prices and number of shares of securities are adjusted accordingly.	Unchanged
SHARE ISSUANCE OR REPURCHASE	None	Unchanged
SPIN-OFF	The price is adjusted to Price of the parent company minus price of the spun-off company/share exchange ratio. Index shares change so that the company's weight remains the same.	Unchanged
STOCK SPLIT / REVERSE SPLIT / CONSOLIDATIONS	Company shares are multiplied by and the price is divided by the split factor.	Unchanged
RIGHTS OFFERING	Price is adjusted to the price of parent company minus price of the rights offering/rights ratio. Index shares change so that the company's weight remains the same.	Unchanged
DELISTING, ACQUISITION OR ANY CORPORATE ACTION RESULTING IN THE DISPLACEMENT OF A STOCK	When a constituent company is acquired or merged or displaced for any other reason, its shares are removed from the index. The company will be replaced at the next rebalancing.	Yes

APPENDIX A: GLOBAL DEVELOPED MARKETS

GLOBAL DEVELOPED MARKETS

Australia

Austria

Belgium

Canada

Denmark

Finland

France

Germany

Greece

Hong Kong

Ireland

Israel

Italy

Japan

Netherlands

New Zealand

Norway

Portugal

Singapore

Spain

Sweden

Switzerland

United Kingdom

USA

APPENDIX B: DIVIDEND WITHHOLDING TAXES

COUNTRY NAME	COUNTRY ISO	TAXATION
Austria	AT	0.25
Australia	AU	0.3
Belgium	BE	0.25
Bermuda	BM	0
Brazil	BR	0
Canada	CA	0.25
Switzerland	CH	0.35
Chile	CL	0.1875
China	CN	0
Czech	CZ	0.15
Germany	DE	0.26375
Denmark	DK	0.28
Spain	ES	0.19
Finland	FI	0.28
France	FR	0.25
Great Britain	GB	0
Greece	GR	0.21
Hong Kong	HK	0
Hungary	HU	0
Indonesia	ID	0.2
Ireland	IE	0.2
India	IN	0
Iceland	IS	0.15
Italy	IT	0.27
Japan	JP	0.07
South Korea	KR	0.22
Luxembourg	LU	0.15
Mexico	MX	0
Netherlands	NL	0.15
Norway	NO	0.25
New Zealand	NZ	0.15
Philippines	PH	0.3
Poland	PL	0.19
Portugal	PT	0.215
Russia	RU	0.15
Sweden	SE	0.3
Singapore	SG	0
Thailand	TH	0.1
Taiwan	TW	0.2
USA	US	0.3
South Africa	ZA	0

APPENDIX C: DEFINITIONS

Index Constituent or Constituent

Any security comprised in the index, provided that on any Reference Date and in the relevant Rebalance Period, Constituent shall include any stock which will be included in the index as of the next Rebalance Date at the end of such Rebalance Period.

Rebalance Period

It is the timeframe between Reference Date and Rebalance Date.

Exchange and Related Exchange

Each exchange on which any Index Constituent is, in the determination of ECPI, principally traded.

Scheduled Trading Day

Any day on which each Exchange and each Related Exchange are scheduled to be open for trading for their respective regular trading session.

Disrupted Day

Any Scheduled Trading Day on which: (i) a relevant Exchange or any Related Exchange fails to open for trading during its regular trading session; or (ii) a Market Disruption Event has occurred.

Market Disruption Event

The occurrence, in respect of the Index Constituent of:

- § a Trading Disruption
- § an Exchange Disruption
- § an Early Closure

where the aggregate of all Index Constituents in respect of which a Trading Disruption, an Exchange Disruption or an Early Closure occurs, comprises 20 per cent or more of the aggregate number of all Index Constituents for which the Exchange and Related Exchange were scheduled to be open for trading for its regular trading session on such day.

Trading Disruption

Any suspension of or limitation imposed on trading by the Relevant Exchange or Related Exchange or otherwise and whether by reason of movements in price exceeding limits permitted by the Relevant Exchange and Related Exchange or otherwise.

Exchange Disruption

Any event that disrupts or impairs (as determined by the ECPI) the ability of market participants in general (i) to effect transaction in, or obtain market values for the Index Constituents.

Early Closure

The closure on any Exchange Business Day of the Relevant Exchange or any Related Exchange prior to its Scheduled Closing Time.

CONTACTS

Index Dept.
T +352 26 845633
data@ecpindices.lu

Riccardo Palma
r.palma@ecpindices.lu
T +352 26 8456 3333

www.ecpigroup.com
Bloomberg: ECPS
Reuters: ECAPITAL

Disclaimer

This document has been prepared by ECP International S.A., and/or ECPI S.r.l., and/or any of their subsidiaries and affiliates, being noted that ECP International S.A., ECPI S.r.l., are entirely owned by ECPI Group S.p.a., a company organized and existing under the laws of Italy, with registered office at Via Crocefisso, 8 - 20122 Milan, Italy (the "ECPI Group Companies") as part of their internal research activity. The information provided herein and, in particular, the data contained in this document are taken from information available to the public. All information contained herein is obtained from sources believed by it to be accurate and reliable. While the opinions and information contained in this document are based on public sources believed to be reliable and in good faith, ECPI Group Companies have not independently verified the accuracy of such public sources. Because of the possibility of human, technical or whatsoever kind of similar error, however, such information is provided "as is" without warranty of any kind and ECPI Group Companies, in particular, make no representation or warranty, whether express or implicit, as to the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of any such information and opinions contained in this document.

Accordingly, neither ECPI Group Companies nor any of their respective directors, managers, officers or employees shall be held liable for whatever reason (including, without limitation, liability in negligence) for any loss (including consequential loss), expense, consequential, special, incidental, direct or indirect or similar damage, whether or not advised of the possibility of such damage, in connection with the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of the information and opinions contained in this document and/or arising from any use or performance of this document or its contents or otherwise arising in connection with this document.

Any opinions, forecasts or estimates contained herein constitute a high-level information statement only valid as at the date of its release. There can be no assurance that the evolution of the information contained herein and/or any future events will be consistent with such opinions, forecasts or estimates. Any information herein is at any time subject to change, update or amendment subsequently to the date of this document, with no undertaking by ECPI Group Companies to notify such change, update or amendment.

This document is not, nor may it be construed as to constitute a recommendation to make any kind of investment decision or an offer for sale or subscription of or a solicitation of any offer to buy or subscribe for any financial instrument. Accordingly, this document may not be used as a solicitation or an offer for sale or subscription, and any solicitation or offer shall be made only in accordance with all applicable laws and regulation, including, whenever applicable, the filing of a prospectus with the relevant authorities. ECPI Group Companies are not financial advisors subject to special authorization and thus do not provide formal financial advice in the area of investment nor perform any asset management activity. ECPI Group Companies recommend to potential investors wishing to be provided with formal financial advice in the area of investment to contact a financial advisor duly authorized by the competent regulatory authority of its country.

ECPI Group Companies publish researches on a regular basis. This publication has been prepared on behalf of ECPI Group Companies solely for information purposes. All the information contained herein is copyrighted in the name of ECPI Group Companies, and none of such information may be copied or otherwise reproduced, except for personal use only, further transmitted, transferred, published, disseminated, redistributed or resold, in whole or in part, in any form or manner or by any means whatsoever, by any person without ECPI Group Companies' prior written consent.

INDEX RULES



ECPI DEVELOPED ETHICAL+ EQUITY INDEX

AUGUST 2011

TABLE OF CONTENT

- § INTRODUCTION
- § GUIDING PRINCIPLES
- § INDEX MANAGEMENT
- § EQUITY INDICES CONSTRUCTION
- § CALCULATION METHOD
- § EQUITY INDICES QUARTERLY REVIEW
- § EVENT- RELATED CONSTITUENTS' CHANGES
- § CORPORATE ACTIONS
- § NEW ISSUES ENTRY
- § APPENDIX A: ELIGIBILITY CRITERIA
- § APPENDIX B: GLOBAL DEVELOPED MARKETS
- § APPENDIX C: BLOOMBERG INDUSTRY CLASSIFICATION
- § APPENDIX D: DIVIDEND WITHHOLDING TAXES
- § CONTACTS

INTRODUCTION

The ECPI Developed Ethical+ Equity Index is composed by the 400 most capitalized ethical companies in the global developed markets.

Bloomberg Tickers:

- § ECAPDEP Index (Price)
- § ECAPDER Index (Total Return)
- § ECAPDEN Index (Net Dividend)

DataStream Code: NA

ECPI SOCIALLY RESPONSIBLE INDICES

The ECPI Developed Ethical+ Equity Index is designed to be a member of the broadest family of Socially Responsible benchmark and tradable indices.

The objective of ECPI, with respect to its ECPI Socially Responsible Indices, is to provide an essential tool to analyze the risk and performance of the socially responsible approach and to control the performance of sustainability-driven asset managers.

The ECPI Indices may be used as the basis for various investment vehicles: they allow for efficient implementation of active socially responsible mandates as well as index-tracking portfolios and exchange traded funds.

The socially responsible criteria, used to select the indices' constituents, offer a conduit for investors to jointly express their interest in sustainability and, thus, to collectively move the relevant issues up the corporate agenda.

The ECPI Indices Data Vendors as of January 2011:

- § Bloomberg Financial Markets
- § Thomson Reuters
- § Markit
- § Rimes

GUIDING PRINCIPLES

The ECPI Socially Responsible Equity Indices family is built and maintained according to the following principles:

§ **Market Representation**

The indices represent the reference markets and reflect the opportunities available to the investors. The main criteria used to ensure market representation are market capitalization and sector composition.

§ **Investible and Replicable**

The indices should be capable of being replicated by users, this objective is achieved by: free float adjusting of constituent capitalization and selection of securities with reasonable size and liquidity.

§ **Disciplined Approach**

ECPI Indices are constructed and managed using a set of principles, rules and guidelines. This approach is followed to maintain the attributes of a benchmark, such as stability of the index, proper diversification across industries and securities and accurate respect of the socially responsible criteria.

§ **Transparency**

The indices are built and maintained using clear and transparent rules, available on public sources; moreover the indices are published daily on the most important financial info providers worldwide (Bloomberg, Thomson Reuters).

§ **Independence and Objectivity**

The indices are based on independent and objective content decisions. ECPI believes in an open dialogue with its clients, considering with objectivity their suggestions to enhance the indices' provision. Analyzing all the feedback received by its clients, ECPI takes independently the final decision in order to preserve the quality of the indices.

§ **Continuity and Indices' Turnover**

ECPI Indices are managed to ensuring the continuity of the indices. Continuity refers to the consistent application of the index methodology. The indices are also managed with the aim of keeping the level of index turnover relatively low, while at the same time reflecting the evolution of the reference market.

§ **Sustainability**

Every security, which composes the indices, has to satisfy ECPI ESG Screening Methodology that uses a scientific and analytical methodology.

INDEX MANAGEMENT

The ECPI Indices are managed by ECPI, which is responsible for:

- § The index construction, management and distribution
- § The management of the ECPI Indices selection criteria and for the review of all indices.
ECPI may also approve changes to the Index Rules
- § The correct application of the Index Rules in maintaining the ECPI Indices
- § The Socially Responsible selection criteria.
ECPI may change existing socially responsible criteria, remove existing criteria or add new criteria.
ECPI will endeavor to give notice before implementation of changes to selection criteria.

A constituent or prospective constituent company may appeal against the decisions of ECPI on two grounds:

- § ECPI disregards the Index Rules for the indices' management
- § ECPI fails to take into consideration a substantial and material fact in its decision. A substantial and material fact is defined as a fact which could have influenced the decision had it been considered.

A request for an appeal must be made in writing and be received within six months of the application of the event giving rise to the appeal.

EQUITY INDICES CONSTRUCTION

CONSTITUENT UNIVERSE

The indices construction process starts at the country level, considering all the listed companies in the reference market (in general, companies and their securities are classified as belonging to the country in which they are incorporated).

Each company has then to be selected according to the ECPI ESG Screening Methodology; the Investment Universe is composed by the companies that pass the ethical analysis and have a positive ESG rating as defined in Appendix A.

All the companies that are in the Investment Universe are "Eligible" for inclusion in the Indices: the Indices are always a sub-group of the Investment Universe.

The selection of Eligible securities to construct the index is based on financial criteria, as industry group (see Appendix A) and market capitalization. This approach is followed to ensure market representation.

Where there are multiple lines of equity capital in a company, all are included and priced separately in the investment universe.

Investment trust, mutual funds, Exchange Traded Funds (ETFs) and Equity Derivatives are not included in the Equity Universe. Convertible and preference shares and loan stocks are excluded until converted.

The country markets included in the indices are as in the following table.

COUNTRY TABLE

Australia	Luxembourg
Austria	Japan
Belgium	New Zealand
Canada	Netherlands
Denmark	Norway
Finland	Portugal
France	Singapore
Germany	Spain
Greece	Sweden
Hong Kong	Switzerland
Ireland	United Kingdom
Italy	United States

LIQUIDITY

Securities which do not turnover at least 0.5% per month of their shares in issue (after the application of any free float factor) for ten of the twelve months prior to selection as an index constituent, will not be eligible for inclusion in the Indices.

An existing constituent failing to trade at least 0.5% per month of its shares in issue (after the application of any free float factor) for more than four of the twelve months prior to review will be removed.

New issues which do not have a twelve months trading record at the time of selection as an index constituent must turnover at least 0.5% per month of their shares in issue (after the application of any free float factor) in each month since their listing.

In assessing liquidity, data is obtained from a constituent's exchange in the country in which the company is classified. If the constituent fails the liquidity screen on this basis, data may also be reviewed from other markets and the trading volumes aggregated for the purpose. Trading volumes for other markets will not normally be considered unless the majority of the liquidity is met from the constituent's exchange in the country in which the company is classified.

In exceptional market conditions, if trading volumes are very low ECPI may reduce the percentage figure stated above in order to avoid a large amount of turnover in the Indices.

FREE FLOAT ADJUSTMENT OF TOTAL MARKET CAPITALIZATION

After identifying the universe of securities, ECPI classifies securities according to their adjusted market capitalization. The adjusted market capitalization is used to calculate security's weights within the index.

The *adjusted market capitalization* is defined as the total market capitalization multiplied by a free float factor.

The *free float factor* represents the percentage of shares that do not belong to strategic shareholdings and so are deemed to be available for purchase in the public equity markets by investors.

Strategic shareholdings include:

- § long-term investments in an index constituent either by another constituents (i.e. cross-holdings) or non-constituent company or entity
- § significant long-term holdings by founders, their families and/or directors
- § employee share schemes (if restricted)
- § government holdings
- § Foreign ownership limits.

Strategic shareholdings do not include:

- § portfolio investments
- § nominee holdings (including those supporting ADRs & GDRs), unless they represent strategic shareholdings
- § Holdings by investment companies.

ECPI estimate of free float is based on public available information obtained from multiple information sources. Consultation may be conducted with official company contacts.

Estimated free float is rounded to the closest 5%.

If the free float is less than 15%, the company is not considered for inclusion in the indices, although remains in the Investment Universe.

Monitoring of the free float factor is on a daily basis; any change can be implemented at the review or before based on ECPI evaluation.

Foreign ownership limits, if any, will be applied after calculating strategic shareholdings. If the foreign ownership limit is more restrictive than the free float related to strategic shareholdings, the precise foreign ownership limit is applied. If the foreign ownership limit is less restrictive or equal to the free float related to strategic shareholdings, the latter is applied.

CALCULATION METHOD

CALCULATION FREQUENCY

The ECPI Equity Indices are calculated and published daily, on a next day basis.

Calendar for Index calculation refers to the local market convention: the business day of the local market will be employed.

The TARGET¹ calendar will be employed for the Eurozone and Global Indices.

ECPI guarantees the presence of at least one operator dedicated to client support during all operating hours of TARGET System.

PRICES

The ECPI Equity Indices end-of-day calculations use closing trade prices.

GMT WM Reuters Currency cross rates are used for the currency conversion.

INDEX ALGORITHM

The actual trade price of securities is converted into Euro and the indices are then calculated using the algorithm described below.

The Price index is calculated as follows:

$$I(P)_t = I(P)_{t-1} * \frac{\sum_1^n (P_{i,t} ffN_i)}{\sum_1^n P_{i,t-1} ffN_i}$$

Where

$I(P)_t$ = price index value on day t

P_t = closing share price on day t

N_t = number of shares in issue on day t

ff = free float factor

n = number of index constituents

The gross (net) total return index is calculated as follows:

$$I(TR)_t = I(TR)_{t-1} * \left(\frac{\sum_1^i P_{i,t} ffN_i + \sum_1^n D_{i,t} ffN_i}{\sum_1^n P_{i,t-1} ffN_i} \right)$$

Where

$I(TR)_t$ = total return index value on day t

$P_{i,t}$ = official closing price in Euro for stock i on day t

D_t = gross (net) dividend in Euro on the ex-dividend date t

N_t = number of shares for stock i

I = number of index constituents

$\sum P_{i,t} N_i$ = Index market capitalization on day t

$\sum D_{i,t} N_i$ = index dividend amount on day t

The net total return index uses net dividends instead of gross dividends (see tax rates in Appendix D).

¹ TARGET calendar can be found on European Central bank website, Section "Payments & Securities", Paragraph "TARGET: Closing days and long-term calendar", <http://www.ecb.int/paym/html/index.en.html>

EQUITY INDICES QUARTERLY REVIEW

Every three months ECPI reviews the index constituents in order to ensure market representativeness.

The rebalancing of the indices considers the financial and ethical evolution of the reference market. The evolution may be due to economic and financial developments, as a change in the composition or structure of an industry, and/or to ethical developments as well.

The ethical, social and environmental performance of companies eligible for inclusion in the Indices is monitored by ECPI; each constituent has to pass the ESG Screening Methodology and satisfy the ethical inclusion and exclusion criteria as defined in Appendix A.

The rules for inserting and deleting securities at the periodic review are designed to provide stability in the selection of index constituents, while ensuring that indices continue to be representative of the reference market.

The number of constituents is kept constant:

§ Developed Ethical+ = 400 constituents.

Market data used to rebalance the indices are as of the closing of the trading day before t_0 (see timetable below).

A company is eligible for inclusion at the quarterly index review if it rises above the threshold defined for each index, when the eligible companies are ranked by adjusted market value. The inclusion threshold is defined as follow:

§ 200th position, Developed Ethical+

A company is eligible for exclusion the quarterly index review if it falls below the threshold defined for each index, when the eligible companies are ranked by adjusted market value. The exclusion threshold is defined as follow:

§ 480th position, Developed Ethical+

The expected number of constituents change at the review is the minimum between the number of securities that rises above the inclusion threshold and the number of securities that falls under the exclusion threshold.

However, ECPI can discretionarily select the eligible names for inclusion and exclusion, in order to ensure market representation and control turnover.

The timetable of the benchmark is reported below.

The reference calendar for the quarterly review is the TARGET calendar; if the review day falls on a holiday, the subsequent working day will be considered.

The timetable for the review of the ECPI Developed Ethical+

REVIEW TIMETABLE

TIME REFERENCE	ACTION	WHEN
t_0	Selection of the new constituents	4th Thursday of Dec, Mar, Jun, Sep
t_1	Communication of the new constituent	2nd Thursday of Jan, Apr, Jul, Oct
t_2	Effective Date: the new index is effective	4th Thursday of Jan, Apr, Jul, Oct

EVENT-RELATED CONSTITUENTS' CHANGES

As Event-related Changes we intend both Financial Event and Ethical Event.

FINANCIAL EVENT

Financial Event refers to:

- § M&A (mergers/acquisitions)
- § Impossibility to meet the minimum financial requirements (ex. Delisting, Suspension, Free Float under the minimum values admitted etc)
- § Other corporate actions.

In the case of M&A we can have different situations, in particular:

- § **Acquisition of a constituent company**
When a constituent company is acquired, its securities are removed from the indices;
- § **Acquisition by a constituent company**
When a constituent company acquires a non-constituent company, the securities of the acquiring company may remain in the indices;
- § **Merger**
When a constituent company merges with another company, the new entity may remain in the indices.
- § **Suspension of dealing:**
In the case that an index constituent is suspended on its own market, the constituent may remain in the index, at the last available closing price or zero, for up to ten business day. During this time, ECPI may agree to delete the constituent and replace it with a new constituent.

Where a constituent suspension last beyond noon on the 10th business day (and the option to remove the constituent has not been exercised), the constituent will be excluded at the 11th trading day at price zero or at the last available closing price.

Where a suspended constituent that has been removed from the index is subsequently re-listed, ECPI is responsible to decide re-including the company, on the basis of its market capitalization.

ETHICAL EVENT

A constituent becomes "Not Eligible" because it doesn't match any more with the ethical criteria of the ECPI ESG Screening Methodology.

In case of constituent's exclusion related to an event-related change, the security excluded is replaced by an "Eligible" company

COMMUNICATION OF EVENT RELATED CONSTITUENTS' CHANGE

In general, an event-related constituent' change is communicated to index users at least 3 business days before the change becomes effective. ECPI however doesn't ensure the respect of this timeline for reasons which do not depend on ECPI responsibility (for example, mergers/acquisitions communication not provided by the public source with a sufficient anticipation).

CORPORATE ACTIONS

Adjustments to reflect a constituent company's corporate action will be made before the start of the index calculation on the day on which the change takes effect (e.g. the ex date for a rights or capitalization issue), according to the following table:

CORPORATE ACTION	ADJUSTMENT MADE TO INDEX	DIVISOR ADJUSTMENT
DELISTING, ACQUISITION OR ANY CORPORATE ACTION RESULTING IN THE DISPLACEMENT OF A STOCK	When a constituent company is acquired or merged or displaced for any other reason, its shares are removed from the index. The company will be replaced at the next rebalancing.	Yes
DIVIDENDS	Dividends are reinvested in the Index	Unchanged
RIGHTS OFFERING	Price is adjusted to the price of parent company minus price of the rights offering/rights ratio. Index shares change so that the company's weight remains the same.	Unchanged
SPECIAL DIVIDENDS / RETURN OF CAPITAL	Price of the stock making the special dividend payment is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date. Cash from the special dividend is reinvested in the index	Yes
SHARE ISSUANCE OR REPURCHASE	None	Unchanged
SPECIAL DIVIDENDS / RETURN OF CAPITAL	Price of the stock making the special dividend payment is reduced by the per share special dividend amount after the close of trading on the day before the dividend ex-date. Cash from the special dividend is reinvested in the index	Yes
SPIN-OFF	The price is adjusted to Price of the parent company minus price of the spun-off company/share exchange ratio. Index shares change so that the company's weight remains the same.	Unchanged
STOCK DIVIDENDS / BONUS ISSUES	No weight change. This event is characterized by a free distribution of new shares to existing shareholders on a pro rata basis. Market Prices and number of shares of securities are adjusted accordingly.	Unchanged
STOCK SPLIT / REVERSE SPLIT / CONSOLIDATIONS	Company shares are multiplied by and the price is divided by the split factor.	Unchanged

NEW ISSUES ENTRY

If in the view of ECPI, a new issue becomes relevant for the effectiveness of the index as a market indicator, ECPI may decide to include the issue in the index as an Early Entry. In order to qualify the issue as an index constituent, the company must be rated as eligible in terms of ethical, social and environmental performance, according to ECPI ESG Screening Methodology. The company must also have a full market capitalization which would ensure the company to be ranked in 40th position or higher. In such a case, ECPI will normally include the company according to the following timetable.

NEW ISSUES - TIMETABLE

TIME REFERENCE	ACTION	WHEN
t ₀	Selection of the new constituents	4th Thursday of Dec, Mar, Jun, Sep
t ₁	Communication of the new constituent	2nd Thursday of Jan, Apr, Jul, Oct
t ₂	Effective Date: the new index is effective	4th Thursday of Jan, Apr, Jul, Oct

New issues of companies which do not qualify for early entry under rule 8.1 but which meet the criteria for eligible securities will be eligible for inclusion either at the quarterly review, if large enough to become an index constituent.

A company which is re-listed following suspension or reorganized or renamed or which arises from a demerger or complex reorganization of another company which is not an existing constituent, shall not be considered to be a new issue. However, an Initial Public Offering (IPO) which arises from a demerger shall be considered as a new issue.

APPENDIX A: ELIGIBILITY CRITERIA

The following criteria are applied to ECPI ESG database in order to identify eligible companies.

For a full description of ECPI ESG database please see ECPI ESG Screening Methodology.

ECPI ELIGIBILITY CRITERIA

	SECTORS	ELIGIBILITY CRITERIA
EXCLUSION SECTORS	Contraceptives	>0%
	Military	>2% + identify: - Cluster Bombs - Land Mines - Local Police
	Pornography	>0%
	Tobacco	>2%
	Alcohol	Pass
	GMO	Pass + identify: - Stem Cells Research
	Gambling	Pass
	Human Rights	Pass + criteria: - Pending (E.1.2) = -2 - Forward looking (E.1.3) =< -5
	Nuclear	Pass + identify: - Nuclear Armaments Production
	INCLUSION RATING	Environmental rating
Social & Governance rating		≥ E-
Final Rating		≥ E

APPENDIX B: GLOBAL DEVELOPED MARKETS

GLOBAL DEVELOPED MARKETS

Australia

Austria

Belgium

Canada

Denmark

Finland

France

Germany

Greece

Hong Kong

Ireland

Israel

Italy

Japan

Netherlands

New Zealand

Norway

Portugal

Singapore

Spain

Sweden

Switzerland

United Kingdom

USA

APPENDIX C: BLOOMBERG INDUSTRY CLASSIFICATION

INDUSTRY SECTOR	INDUSTRY GROUP	INDUSTRY SECTOR	INDUSTRY GROUP	
Basic Materials	Chemicals	Energy	Coal	
	Forest Products&Paper		Energy-Alternate Sources	
	Iron/Steel		Oil&Gas	
	Mining		Oil&Gas Services	
Communications	Advertising	Financial	Pipelines	
	Internet		Banks	
	Media		Closed-end Funds	
	Telecommunications		Country Funds-Closed-end	
Consumer, Cyclical	Airlines	Industrial	Diversified Finan Serv	
	Apparel		Insurance	
	Auto Manufacturers		Investment Companies	
	Auto Parts&Equipment		REITS	
	Distribution/Wholesale		Real Estate	
	Entertainment		Savings&Loans	
	Food Service		Private Equity	
	Home Builders		Aerospace/Defense	
	Home Furnishings		Building Materials	
	Housewares		Electrical Compo&Equip	
	Leisure Time		Electronics	
	Lodging		Engineering&Construction	
	Office Furnishings		Environmental Control	
	Retail		Hand/Machine Tools	
	Storage/Warehousing		Machinery-Constr&Mining	
	Textiles		Machinery-Diversified	
	Toys/Games/Hobbies		Metal Fabricate/Hardware	
	Consumer, Non-cyclical		Agriculture	Miscellaneous Manufactur
			Beverages	Packaging&Containers
			Biotechnology	Shipbuilding
Commercial Services		Transportation		
Cosmetics/Personal Care		Trucking&Leasing		
Food		Technology	Computers	
Healthcare-Products			Office/Business Equip	
Healthcare-Services			Semiconductors	
Household Products/Wares		Software	Utilities	Electric
Pharmaceuticals		Gas		
Diversified	Holding Companies-Divers	Water		

APPENDIX D: DIVIDEND WITHHOLDING TAXES

COUNTRY NAME	COUNTRY ISO	TAXATION
Austria	AT	0.25
Australia	AU	0.3
Belgium	BE	0.25
Bermuda	BM	0
Brazil	BR	0
Canada	CA	0.25
Switzerland	CH	0.35
Chile	CL	0.1875
China	CN	0
Czech	CZ	0.15
Germany	DE	0.26375
Denmark	DK	0.28
Spain	ES	0.19
Finland	FI	0.28
France	FR	0.25
Great Britain	GB	0
Greece	GR	0.21
Hong Kong	HK	0
Hungary	HU	0
Indonesia	ID	0.2
Ireland	IE	0.2
India	IN	0
Iceland	IS	0.15
Italy	IT	0.27
Japan	JP	0.07
South Korea	KR	0.22
Luxembourg	LU	0.15
Mexico	MX	0
Netherlands	NL	0.15
Norway	NO	0.25
New Zealand	NZ	0.15
Philippines	PH	0.3
Poland	PL	0.19
Portugal	PT	0.215
Russia	RU	0.15
Sweden	SE	0.3
Singapore	SG	0
Thailand	TH	0.1
Taiwan	TW	0.2
USA	US	0.3
South Africa	ZA	0

CONTACTS

Index Dept.

T +352 26 845633
data@ecpindices.lu

Riccardo Palma

r.palma@ecpindices.lu
 T +352 26 8456 3333

www.ecpigroup.com

Bloomberg: ECPS
Reuters: ECAPITAL

Disclaimer

This document has been prepared by ECP International S.A., and/or ECPI S.r.l., and/or any of their subsidiaries and affiliates, being noted that ECP International S.A., ECPI S.r.l., are entirely owned by ECPI Group S.p.a., a company organized and existing under the laws of Italy, with registered office at Via Crocefisso, 8 - 20122 Milan, Italy (the "ECPI Group Companies") as part of their internal research activity. The information provided herein and, in particular, the data contained in this document are taken from information available to the public. All information contained herein is obtained from sources believed by it to be accurate and reliable. While the opinions and information contained in this document are based on public sources believed to be reliable and in good faith, ECPI Group Companies have not independently verified the accuracy of such public sources. Because of the possibility of human, technical or whatsoever kind of similar error, however, such information is provided "as is" without warranty of any kind and ECPI Group Companies, in particular, make no representation or warranty, whether express or implicit, as to the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of any such information and opinions contained in this document.

Accordingly, neither ECPI Group Companies nor any of their respective directors, managers, officers or employees shall be held liable for whatever reason (including, without limitation, liability in negligence) for any loss (including consequential loss), expense, consequential, special, incidental, direct or indirect or similar damage, whether or not advised of the possibility of such damage, in connection with the fairness, accuracy, timeliness, completeness, merchantability and/or fitness of the information and opinions contained in this document and/or arising from any use or performance of this document or its contents or otherwise arising in connection with this document.

Any opinions, forecasts or estimates contained herein constitute a high-level information statement only valid as at the date of its release. There can be no assurance that the evolution of the information contained herein and/or any future events will be consistent with such opinions, forecasts or estimates. Any information herein is at any time subject to change, update or amendment subsequently to the date of this document, with no undertaking by ECPI Group Companies to notify such change, update or amendment.

This document is not, nor may it be construed as to constitute a recommendation to make any kind of investment decision or an offer for sale or subscription of or a solicitation of any offer to buy or subscribe for any financial instrument. Accordingly, this document may not be used as a solicitation or an offer for sale or subscription, and any solicitation or offer shall be made only in accordance with all applicable laws and regulation, including, whenever applicable, the filing of a prospectus with the relevant authorities. ECPI Group Companies are not financial advisors subject to special authorization and thus do not provide formal financial advice in the area of investment nor perform any asset management activity. ECPI Group Companies recommend to potential investors wishing to be provided with formal financial advice in the area of investment to contact a financial advisor duly authorized by the competent regulatory authority of its country.

ECPI Group Companies publish researches on a regular basis. This publication has been prepared on behalf of ECPI Group Companies solely for information purposes. All the information contained herein is copyrighted in the name of ECPI Group Companies, and none of such information may be copied or otherwise reproduced, except for personal use only, further transmitted, transferred, published, disseminated, redistributed or resold, in whole or in part, in any form or manner or by any means whatsoever, by any person without ECPI Group Companies' prior written consent.