



# ECPI GLOBAL RENEWABLE ENERGY EQUITY INDEX

The Index selects the 20 highest ESG-rated Companies active in the production or trading of energy from sources which are inexhaustible

DECEMBER 2011

## RENEWABLE ENERGY: THE BACKGROUND

The time of oil and gas shortages is near to come and, as a result, obtaining electricity from alternative sources has become increasingly important.

The global boom in renewable energy is underway and it is set to continue.

Overall, strong growth rates are forecasted for "clean energy sources". Markets are expected to grow from USD 16 Bio in global revenues in 2004 to more than USD 100 Bio by 2014 according to a report released by Clean Edge, an energy research and publishing firm.

The share of renewable energy in total worldwide electricity production is 17.9%. Roughly 90% of that share is water power (16.2% of total electricity production), biomass 6% and the remaining renewable energy processes almost 4%.<sup>[1]</sup>

## TYPES OF RENEWABLE ENERGY

Renewable energy is generally classified as commercial energy production or energy sources which are inexhaustible.

**Bioenergy:** A low cost energy source that can be obtained from biomass, in particular wood straw maize, sugar beet, oil-seed rape, biogas and plant oils. Its main advantages is the reduction of carbon dioxide emission into the atmosphere

**Solar Power:** Energy of the sun (nuclear fusion), which takes the form of electromagnetic radiation.

**Water Power:** Energy of water currents, which can be converted into mechanical energy using suitable machines

**Wind power:** Is the kinetic energy produced by masses of air moving in the atmosphere.

**Geothermal:** Geothermal heat is the heat stored in the upper layer of the earth's crust. It describes both the energy produced by or stored in the earth.

**Fuel cells:** A fuel cell is a voltaic cell that converts a continuous supply of fuel and an oxidising agent into usable electrical energy.

**Alternative Solutions:** ECPI® selects global players active in implementing innovative solutions that allow a more efficient and environmental – friendly use of power resources.

## INDEX CONSTRUCTION

The ECPI Renewable Energy Index includes a set of 20 global companies that aim at providing near-term solutions to global warming while offsetting the longer-term impacts of climate change through renewable energy, alternative fuels, clean technology and efficiency.

### Sector Validation

Constituent selection is based on the Proprietary and Transparent ECPI Research Methodology. Nuclear energy or oil are not taken into consideration, except for the specific discretionary cases when a company can substantially contribute to the sustainable development and use of renewable energies. Inclusion of such companies will be explicitly communicated.

### Sustainability

ECPI® evaluates each company eligibility based on its specific environmentally sustainable efforts, environmental management and capability to offset negative climate impacts.

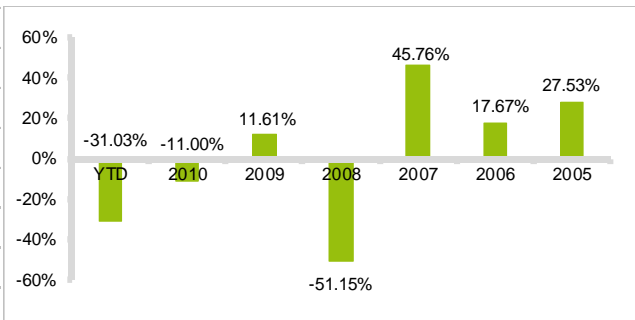
The highest ranked companies in each category are included in the Index such as those that record significant and forward looking achievements in the field of environmental friendly and sustainable products e.g. the world's first mass-producer hydrogen-powered fuel cell hybrid vehicle.



[1] Federal Ministry for the Environment, Nature Conservation and Nuclear Safety, June 2005, Germany.

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Number of Constituents	20
Eligibility Monitoring	Daily
Component Weights	Equal
Minimum 6 months ADV	EUR 10 mln
Index Rebalancing Frequency	Annual (1th of Oct)
Currency of Calculation	EURO
Average Market Cap (EUR bio)	12.31
Largest Market Cap (EUR bio)	43.33
Smallest Market Cap (EUR bio)	0.54
Highest Index Value (since 2003)	2805.70
Lowest Value (since 2003)	911.64



Average	Annualized Volatility
Since 2003	23.29%

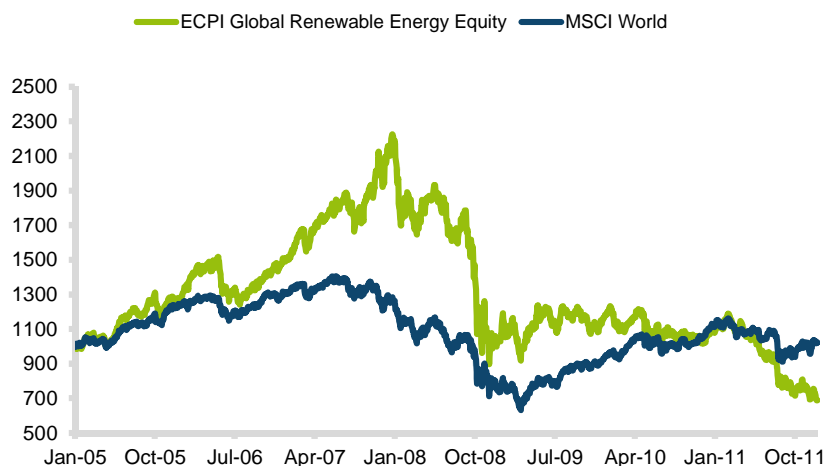
<b>Fundamental Analysis</b>	<b>P/E Trailing</b>	<b>P/E Projected</b>	<b>P/B</b>	<b>P/S</b>	<b>P/CF</b>	<b>Dividend Yield</b>
	13.36	14.75	1.02	0.56	5.55	2.22

**Country**

DENMARK	4.55%
FINLAND	4.85%
ITALY	9.66%
JAPAN	10.64%
NORWAY	5.60%
SPAIN	14.56%
UNITED KINGDOM	5.39%
UNITED STATES	39.71%
FRANCE	5.04%

**Sector**

Basic Materials	5.39%
Energy	9.26%
Industrial	24.24%
Technology	25.48%
Utilities	19.78%
Consumer Non-cyclical	5.21%
Consumer Cyclical	10.64%



Index Summary			
Asset Class	Equity	Bond	Alternative
Investment Objective	Beta	Alpha	Income
Constituents	Large Caps	Medium Caps	Small Caps
Screening	Positive	Negative	Both
Bias	Geographical	Industry	Quantitative

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## DEFINITIONS

**P/E trailing:** Current price/index earnings. Index earnings are calculated by summing up the trailing 12 months EPS before XO items of the member companies multiplied by the shares in the index and divided by the index divisor. US and Canada: calculated using trailing 12 month diluted EPS from continuous operations of each member.

**P/E projected:** Current price/index projected earnings. Index projected earnings are calculated by summing all members' best EPS in FY1 multiplied by shares in the index and divided by the index divisor.

**P/B:** Current price/index weighted book value. Index weighted book value is calculated by summing up current book value per share of the member companies, multiplied by the shares in the index and divided by the index divisor.

**P/S:** Current price/index sales. Index sales are calculated by summing up all trailing 12 month sales per share, multiplied by shares in the index and divided by the index divisor.

**P/CF:** Current price/index cash flow. Index cash flow is calculated by summing up the trailing 12 month cash flow per share of the member companies, multiplied by the shares in the index and divided by the index divisor.

**Dividend Yield:** Index dividend/current price. Index dividend is calculated by taking the sum of all members' last 12 month dividends, multiplied by shares in the index and divided by the index divisor. Market convention dividends use gross dividends except for Australia, New Zealand, and the United Kingdom, which use net.

Fundamental Data Source: Bloomberg

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