



# STRUCTURED SOLUTIONS AG | VIGEO BELGIUM SA

## ETHICAL EUROPE EQUITY INDEX

### CERTIFICATION DECLARATION 2013 07 10

To the Index users,  
To the Index provider Structured Solutions AGs:

Forum ETHIBEL asbl<sup>1</sup> is appointed by **Structured Solutions AG** to execute independent monitoring and certification of the **Ethical Europe Equity Index (SOLEEE Index)** concerning its conformity with the non-financial aspects of the rulebook and the due diligence of the Index composition process.



#### Index set-up

*Selection universe of constituents.* The **Ethical Europe Equity Index** is composed of shares of companies belonging to the Ethibel Excellence Europe Register®, or derived from the ESG research universe of **Vigeo**<sup>1</sup>.

*ESG criteria.* In both cases, the constituents benefit from a global ESG (Environmental, Social, governance) score of (i) more than 40/100 and (ii) higher than the sector average, at the date of publication.

*Ethical criteria.* Constituents that do not belong to the Ethibel Register also: (i) have no significant involvement in activities related to armament, gambling, tobacco and to nuclear activities (more than 50% of turnover) and (ii) are not involved in violations of environmental, labour or human rights standards.

*Detailed specifications* can be found at the following link: [www.structured-solutions.de/en/?s=ethical+europe+equity](http://www.structured-solutions.de/en/?s=ethical+europe+equity).

*Operational modalities.* **Structured Solutions** and **Vigeo** have agreed a script with monthly deliveries of the eligible universe and quarterly updates of the Index composition. At that occasion a review of the possible involvement of the concerned companies in disputable activities or in violations related to the ethical criteria is done. Constituents that do no longer comply with the criteria are excluded of the Index. **Structured solutions** publishes all Index updates, after audit and certification by **Forum ETHIBEL**.

#### Certification liabilities

*Role of Forum ETHIBEL.* **Forum ETHIBEL** solely acts by its role as auditor and certification institute. The Ethibel label is not involved in any way in the assignment.

*Meaning and scope.* A certificate or a 'declaration of certification' is a written testimony of conformity of a product with its self-imposed rules and regulations and/or quality requirements.

*Dedication.* A **Forum ETHIBEL** certificate provides evidence that a financial product or instrument is in line with its non-financial criteria and processes as defined by its prospectus, rulebook, regulations or otherwise stated specifications.

#### Verification and first quarterly revision

**Forum ETHIBEL** has executed the audit in full accordance with the contractual obligations and determinations.

This certification declaration is based on the Index composition at the revision date of July 10<sup>th</sup>, 2013 and conformity has been verified against the stated principles and the involved procedures. All evidence provided by Vigeo on the involved screening and monitoring processes and the related internal management systems regarding thoughtfulness and quality have been checked.

While processing the audit, our additional inquiries were answered by **Vigeo**. **Forum ETHIBEL** has asked clarifications on the selection process and has advised minor improvements in the update process.

Company name	Country ticker	Rating sector	ISIN code
AstraZeneca	GB	Pharmaceuticals & Biotechnology	GB0009895292
Atlantia	IT	Transport & Logistics	IT0003506190
Belgacom	BE	Telecommunications	BE0003810273
Corio N.V.	NL	Financial Services - Real Estate	NL0000288967
EDP-Energias de Portugal	PT	Electric & Gas Utilities	PTEDP0AM0009
Enagas	ES	Electric & Gas Utilities	ES0130960018
Fortum	FI	Electric & Gas Utilities	FI0009007132
Gas Natural Sdg	ES	Electric & Gas Utilities	ES0116870314
GDF Suez	FR	Electric & Gas Utilities	FR0010208488
HSBC Holdings	GB	Diversified Banks	GB0005405286
Legal & General GRP	GB	Insurance	GB0005603997
Munich Re	DE	Insurance	DE0008430026
National Grid	GB	Electric & Gas Utilities	GB00B08SNH34
Red Eléctrica Corporación	ES	Electric & Gas Utilities	ES0173093115
Repsol YPF	ES	Energy	ES0173516115
RWE AG	DE	Electric & Gas Utilities	DE0007037129
Scor	FR	Insurance	FR0010411983
Skanska B	SE	Heavy Construction	SE0000113250
Snam	IT	Electric & Gas Utilities	IT0003153415
Statoil	NO	Energy	NO0010096985
Suez Environnement	FR	Waste & Water Utilities	FR0010613471
Swiss Reinsurance Company	CH	Insurance	CH0126881561
Swisscom R	CH	Telecommunications	CH0008742519
Telefonica	ES	Telecommunications	ES0178430E18
Telenor	NO	Telecommunications	NO0010063308
Teliasonera AB	SE	Telecommunications	SE0000667925
Terna	IT	Electric & Gas Utilities	IT0003242622
Unibail - Rodamco	FR	Financial Services - Real Estate	FR0000124711
Vivendi	FR	Broadcasting & Advertising	FR0000127771
Vodafone Group	GB	Telecommunications	GB00B16GWD56

## Conclusion

With reference to the recomposition date of July 10, 2013 and based on the above listed audit services, we declare that the **Ethical Europe Equity Index** has been revised in full compliance with stipulations of the ESG and ethical criteria and the operational modalities, set out in the Index rulebook.



Forum ETHIBEL asbl  
Herwig Peeters, Director  
Brussels, July 10, 2013

<sup>i</sup> **Forum Ethibel** is a Belgian independent association, created in 1992 and recognized as an expert in rating, independent audits and certification of products and services that meet ESG and ethical standards ([www.forumethibel.org](http://www.forumethibel.org))

<sup>ii</sup> **Vigeo** is a leading European expert in assessing responsible performance. Founded in 2002, Vigeo measures the performance and risks regarding to six domains of corporate social responsibility: environment, human rights, human resources, community impact, market behaviour and corporate governance ([www.vigeo.com](http://www.vigeo.com)).

## ADDITIONAL RESEARCH ON DISPUTABLE ACTIVITIES AND COMPLIANCE TO ENVIRONMENTAL, HUMAN RIGHTS AND LABOUR STANDARDS

The **Ethical Europe Equity Index** will not include stocks of companies:

1. Having a major involvement in the following activities:
  - A. Armament,
  - B. Gambling,
  - C. Tobacco
  - D. Nuclear
2. Or not complying with:
  - E. The fundamental ILO convention
  - F. The fundamental conventions of the UN about human rights
3. Or having a major involvement in:
  - G. Environmental controversies, allegations or convictions

A more detailed description of the level of involvement and the exclusion thresholds are the following:

### A. ARMAMENT

Sub-category	Description	Major Involvement
<b>Controversial weapons</b>	Production or sale of controversial weapons: anti-personnel landmines, cluster munitions, nuclear and chemical weapons.	>0%
<b>Other offensive products</b>	Production or sale of weapons that are directly design to kill, wound or destroy (and that are ready to use for those purposes) or essential parts of these weapons. This includes: firearms (including hunting guns), bombs, missiles, torpedoes, combat vehicles, grenades, mines, ammunition, IT systems for weapon control, etc.	>0%
<b>Defensive &amp; auxiliary military products</b>	Production or sale of protection devices and non-essential parts of weapons or parts of military systems (designed for military purpose but that are not usable as weapons by themselves). This includes: spy satellites, landmine detection appliances, rocket or aircraft engines, uniforms, bullet proof jackets, helmets, gas masks, flight simulators.	≥ 5%
<b>Dual-use products/services</b>	Products/services available to non-military users, but which when sold for military use increase military capability. This includes: communication networks for armed forces, radar detectors, computer networks for other purposes than weapon control, parts of vehicles, construction works, maintenance services for vehicles, specialty steel, tents, etc.	never
<b>Financing of controversial weapons</b>	Financing (through non-consolidated participation or loan) of producers of controversial weapons; in terms of % of revenue:	≥ 1%

### B. GAMBLING

Sub-category	Description	Major Involvement
<b>Gambling products/services</b>	Organisation of gambling and/or the production of gambling devices. Gambling is defined as any product/service/place that combines a game of chance with exploitation. Gambling devices are for instance: slot machines, table games. Organisation of gambling includes: managing casino's, gambling websites, organising betting on animal, sports and events competition.	≥ 5%
<b>Distribution</b>	Distribution and sales of gambling products or activities (include selling lottery tickets).	≥ 10%

### C. TOBACCO

Sub-category	Description	Major Involvement
<b>Production of core tobacco products</b>	Manufacturing of core tobacco products: leaf tobacco (raw material), cigarettes, cigars, hand rolling, pipe snuff and chewing tobacco	>0%
<b>Production of secondary products</b>	Manufacturing of products that do not contain tobacco themselves, but that are specifically developed or manufactured to be used in the manufacturing or consumption of tobacco products. Examples of such products are machines, filters, pipes, cigarette paper and tobacco flavours. (Products such as matches, lighters, packages	≥ 10%

	and adhesives, also used in other contexts than tobacco manufacturing or consumption, are not regarded as tobacco products).	
<b>Distribution</b>	Distribution/sales of core tobacco products described in TOB 1.1	≥ 10%

#### D. NUCLEAR

Sub-category	Description	Major Involvement
<b>Nuclear-related activities</b>	Tailor-made products or services to produce nuclear energy. This includes: design, building, management of nuclear energy plants, including specific research and consultancy services; supply of essential parts (specifically developed for this purpose) of nuclear energy installations or nuclear weapons (first level suppliers); mining, processing or sale of uranium or nuclear fuels; processing or storing of nuclear waste stemming from the exploitation of nuclear energy plants.	> 50%
<b>Semi-nuclear activities</b>	Products/services also available for non-nuclear applications; and non-essential parts of nuclear energy installations. This includes: supply of non-nuclear related services to nuclear installations (examples: maintenance, security, insurance, construction of buildings) or products that are used only indirectly for nuclear energy installations (second level suppliers) (examples: castings, metals, welding equipment, cabling, measurement devices, compressors, filters); deconstruction of nuclear installations and transport, processing and storage of nuclear waste stemming from these activities.	never

#### E. NON-RESPECT OF ILO CONVENTIONS

Companies must comply with the following fundamental ILO conventions ([www.ilo.org](http://www.ilo.org)):

- 29 Forced Labour Convention, 1930
- 87 Freedom of Association and Protection of the Right to Organise Convention, 1948
- 98 Right to Organise and Collective Bargaining Convention, 1949
- 100 Equal Remuneration Convention, 1951
- 105 Abolition of Forced Labour Convention, 1957
- 111 Discrimination (Employment and Occupation) Convention, 1958
- 138 Minimum Age Convention, 1973
- 182 Worst Forms of Child Labour Convention, 1999

#### F. NON-RESPECT OF CONVENTIONS ON HUMAN RIGHTS

Companies must comply with the International Bill of Human Rights. This IBHR consists of the Universal Declaration of Human Rights, the International Covenant on Economic, Social and Cultural Rights, and the International Covenant on Civil and Political Rights and its two Optional Protocols. There are 9 core international human rights treaties. Each of these has established a committee of experts to monitor implementation of the treaty provisions by its States parties. Some of the treaties are supplemented by optional protocols dealing with specific concerns.

- International Convention on the Elimination of All Forms of Racial Discrimination (1965)
- International Covenant on Civil and Political Rights (1966)
- International Covenant on Economic, Social and Cultural Rights (1966)
- Convention on the Elimination of All Forms of Discrimination against Women (1979)
- Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1984)
- Convention on the Rights of the Child (1989). International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990)
- International Convention for the Protection of All Persons from Enforced Disappearance (not yet in force)
- Convention on the Rights of Persons with Disabilities (not yet in force)

#### G. MAJOR INVOLVEMENT IN ENVIRONMENTAL CONTROVERSIES, ALLEGATIONS, CONVICTIONS

Companies which are the subject of serious environmental controversies or accusations or convictions are excluded. Elements that affect the qualification 'serious' are: the scope of the impact; the frequency of accidents; transparency; corrective measures and compensations; cooperation with the authorities, local communities and the victims; adjustments on the level of environmental management systems.