



SEMI- ANNUAL REVIEW OF THE FTSE4GOOD INDICES

MARCH 2007

This paper provides the details of the March 2007 FTSE4Good Semi-Annual index review. The FTSE4Good Policy Committee has approved all constituent changes.

1. INCLUSIONS

As a result of the review, a total of 25 companies are new entrants to the FTSE4Good Index Series. The table below shows the nationality of these companies (see Appendix 1 for names and sectors).

Country	No. Companies	Country	No. Companies
Australia	1	Netherlands	1
Austria	1	Switzerland	1
France	1	UK	11
Greece	1	USA	4
Japan	4	Total	25

2. DELETIONS (REMOVALS FROM THE INDEX)

Resulting from this review, there were 17 deletions from the FTSE4Good Index Series. Of these, 12 were deleted due to failing to meet the Environmental Criteria; two were deleted for failing to meet the Supply Chain Labour Standards; two were deleted for failing to meet the Countering Bribery Criteria and one was deleted due to ownership of a company that develops weapons systems and strategic parts for nuclear weapons (see sections 2.1, 2.2, 2.3, and 2.4 respectively, for details). Appendix 2 lists all the deleted companies.

The FTSE4Good inclusion criteria evolve over time, demanding continued improvement in corporate responsibility practices in order to gain or maintain inclusion in the index. FTSE's in-house Responsible Investment Unit undertakes an extensive global engagement program with all FTSE4Good companies affected by new criteria requirements. Companies are made aware of the deadlines and what steps they have to take. For more details on FTSE's engagement program see http://www.ftse.com/Indices/FTSE4Good_Index_Series/Downloads/F4G_5Year_Review.pdf

For details on the FTSE4Good inclusion criteria see www.ftse.com/Indices/FTSE4Good_Index_Series/Downloads/FTSE4Good_Inclusion_Criteria_Brochure_Feb_06.pdf.

2.1 Companies Not Meeting the Environmental Criteria

In May 2002, the FTSE4Good Policy Committee approved changes to strengthen the FTSE4Good environmental criteria by introducing new requirements for *all* companies in the index (e.g. beyond “high impact” companies to include “medium” and “low” impact companies as well).

At this review, the following 12 companies have failed to meet the relevant FTSE4Good environmental criteria requirements and have therefore been deleted from the index series.

Aetna
Ameriprise Financial
Automatic Data Processing
Cablevision Systems
Ceridian
Citizens Communications Company
Countrywide Financial Corporation
First Data
Freddie Mac
Gannett
Intuit
Viacom

2.2 Companies Not Meeting the Supply Chain Labour Standards Criteria

In September 2004, the FTSE4Good Policy Committee approved changes to strengthen the FTSE4Good stakeholder relations criteria by introducing new requirements for supply chain labour standards.

At this review, the following 2 companies have failed to meet the relevant FTSE4Good supply chain labour standards criteria requirements and have therefore been deleted from the index series.

LVMH Moet Hennessey Louis Vuitton
Tate & Lyle

2.3 Companies Not Meeting the Countering Bribery Criteria

In February 2006, the FTSE4Good Policy Committee approved changes to strengthen the FTSE4Good stakeholder relations criteria by introducing new requirements for countering bribery.

At this review, the following 2 companies have failed to meet the relevant FTSE4Good countering bribery criteria requirements and have therefore been deleted from the index series.

AEA Technology
Sumitomo Metal Industries

2.4 Companies Deleted For Activities in Excluded Sectors

At this review one company, *Alcatel-Lucent*, was identified as having acquired a at least a 20% stake in a company involved in the development of weapons systems and strategic parts for nuclear weapons and has therefore been deleted from the index series.

APPENDIX 1 - NEW FTSE4GOOD INDEX CONSTITUENTS*

	Company	Country	Sector
1	Corporate Express Australia	Australia	Support Services
2	Wiener Staedtische	Austria	Life Insurance
3	Euler Hermes	France	General Financial
4	Emporiki Bank of Greece	Greece	Banks
5	Mitsui Fudosan Co.	Japan	Real Estate
6	Shiseido	Japan	Personal Goods
7	Lintec	Japan	Support Services
8	Yamatake Corporation	Japan	Electronic & Electrical Equipment
9	SNS Reaal	Netherlands	Banks
10	Geberit	Switzerland	Construction & Materials
11	Acambis	UK	Pharmaceuticals & Biotechnology
12	Admiral Group	UK	Nonlife Insurance
13	Barratt Developments	UK	Household Goods
14	Catlin Group	UK	Nonlife Insurance
15	Emblaze	UK	Software & Computer Services
16	Erinaceous Group	UK	Support Services
17	Foseco	UK	Industrial Engineering
18	Halfords Group	UK	General Retailers
19	Office2Office	UK	Support Services
20	T. Clarke	UK	Construction & Materials
21	Standard Life	UK	Life Insurance
22	Northern Trust	USA	Banks
23	Realogy	USA	Real Estate
24	Spectra Energy	USA	Gas, Water & Multiutilities
25	Symantec	USA	Software & Computer Services

* Changes will be effective from close of business on 16th March 2007.

APPENDIX 2 - FTSE4GOOD INDEX DELETES*

	Company	Country	Sector	Deleted for not meeting
1	Alcatel-Lucent	France	Technology Hardware & Equipment	Nuclear weapons and weapons systems exclusion
2	LVMH	France	Personal Goods	Supply chain labour standards criteria
3	Sumitomo Metal Industries	Japan	Industrial Metals	Countering bribery criteria
4	AEA Technology	UK	Support Services	Countering bribery criteria
5	Tate & Lyle	UK	Food Producers	Supply chain labour standards criteria
6	Aetna	USA	Health Care Equipment & Services	Environmental criteria
7	Ameriprise Financial	USA	General Financial	Environmental criteria
8	Automatic Data Processing	USA	Support Services	Environmental criteria
9	Cablevision Systems	USA	Media	Environmental criteria
10	Ceridian	USA	Support Services	Environmental criteria
11	Citizens Communications Company	USA	Fixed Line Telecommunications	Environmental criteria
12	Countrywide Financial Corporation	USA	General Financial	Environmental criteria
13	First Data	USA	Support Services	Environmental criteria
14	Freddie Mac	USA	General Financial	Environmental criteria
15	Gannett	USA	Media	Environmental criteria
16	Intuit	USA	Software & Computer Services	Environmental criteria
17	Viacom	USA	Media	Environmental criteria

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Contact

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