

# FTSE ENVIRONMENTAL OPPORTUNITIES SECTOR INDICES

As investor interest in the low-carbon sector continues to grow, FTSE has developed a range of indices that focus on each of the major environmental markets: renewable & alternative energy, energy efficiency, water technology and waste & pollution control. Segmentation of these markets gives investors more choice over the breadth of environmental markets that they wish to invest in, as well as providing an easy way to identify, manage and gain exposure to low carbon technology sectors.

Forming part of the FTSE Environmental Opportunities Index Series, the indices require companies to have at least 20% of their business derived from environmental markets and technologies (as opposed to at least 50% for the FTSE Environmental Technology Index Series).

The FTSE Environmental Opportunities Index Series includes the following benchmark and tradable indices:

- FTSE EO Renewable & Alternative Energy 50 Index
- FTSE EO Renewable & Alternative Energy Index (Benchmark)
- FTSE EO Energy Efficiency 50 Index
- FTSE EO Energy Efficiency Index (Benchmark)
- FTSE EO Water Technology 30 Index
- FTSE EO Water Technology Index (Benchmark)
- FTSE EO Waste and Pollution Control 30 Index
- FTSE EO Waste and Pollution Control Index (Benchmark)

The indices have been designed to be used as a basis for index tracker funds and a range of structured products.

## INDEX FEATURES

- All indices within the FTSE Environmental Opportunities Index series form part of the wider FTSE Environmental Markets Index Series which also encompasses the FTSE Environmental Technology Index Series, offering investors the widest range of environmental markets indices available
- The indices have been developed in collaboration with Impax Asset Management and under the direction of the independent FTSE Environmental Technology Committee, further enhancing FTSE's suite of Responsible Investment indices.
- The indices offer a range of solutions to the growing number of investors who are concerned about the long term impacts of climate change and associated issues on their portfolios
- The index is designed for the creation of derivatives, index tracking funds and ETFs
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the index
- Stocks are liquidity screened to ensure that the index is tradable
- Capital and total return indices are available for this index

## ABOUT IMPAX ASSET MANAGEMENT

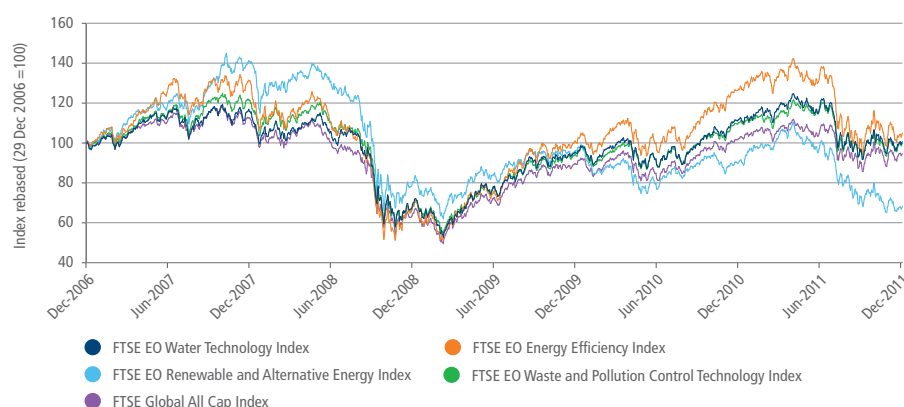
Impax is a specialist investment manager in the environmental sector with over US\$1.9 billion under management across a range of funds investing in quoted securities and private equity.

The firm was founded in 1994 as a specialist finance house focusing on the markets for cleaner or more efficient delivery of basic services of energy, water and waste. These markets are expanding rapidly, as business and political leaders encourage the development of cleaner products and services in response to the increasing pressures placed on the environment.

Impax's dedicated team of professionals, with many years of experience in the financial and environmental sectors, is ideally placed to understand and take advantage of the investment opportunities arising from these growing markets.

For more information, please visit [www.impax.co.uk](http://www.impax.co.uk)

## FTSE ENVIRONMENTAL OPPORTUNITIES SECTORAL INDICES FIVE YEAR PERFORMANCE (USD TOTAL RETURN)



SOURCE: FTSE Group, data as at 30 December 2011

**FTSE ENVIRONMENTAL OPPORTUNITIES SECTORAL INDICES PERFORMANCE TABLE (USD TOTAL RETURN)**

	3M (%)	6M (%)	YTD (%)	12M (%)	3YR (%)	5YR (%)	3YR (%pa)	5YR (%pa)
FTSE EO Water Technology Index	6.7	-16.1	-10.3	-10.3	43.6	0.6	12.8	0.1
FTSE EO Energy Efficiency Index	6.8	-23.0	-17.3	-17.3	54.0	5.0	15.5	1.0
FTSE EO Renewable and Alternative Energy Index	-4.3	-31.9	-25.1	-25.1	-15.0	-31.8	-5.3	-7.4
FTSE EO Waste and Pollution Control Technology Index	5.5	-15.8	-9.3	-9.3	45.1	-0.1	13.2	0.0
FTSE Global All Cap Index	7.1	-12.1	-7.6	-7.6	45.8	-5.4	13.4	-1.1

SOURCE: FTSE Group, data as at 30 December 2011

**FTSE ENVIRONMENTAL OPPORTUNITIES SECTORAL INDICES VOLATILITY (USD TOTAL RETURN)**

	1YR Vol (%pa)*	3YR Vol (%pa)**	5YR Vol (%pa)***
FTSE EO Water Technology Index	23.4	23.1	23.1
FTSE EO Energy Efficiency Index	27.7	28.0	29.7
FTSE EO Renewable and Alternative Energy Index	27.5	24.5	26.3
FTSE EO Waste and Pollution Control Technology Index	22.4	21.8	22.8
FTSE Global All Cap Index	21.1	22.2	22.1

\* Based on daily total returns and annualised based on 252 trading days in a year

\*\* Based on weekly annualised total returns using 52 weeks (Wednesday to Wednesday)

\*\*\* Based on monthly total returns

SOURCE: FTSE Group, data as at 30 December 2011

**FTSE ENVIRONMENTAL OPPORTUNITIES SECTORAL INDICES FIVE YEAR CORRELATION**

	FTSE EO Water Technology Index	FTSE EO Energy Efficiency Index	FTSE EO Renewable and Alternative Energy Index	FTSE EO Waste and Pollution Control Technology Index	FTSE Global All Cap Index
FTSE EO Water Technology Index	1.000	0.959	0.903	0.977	0.972
FTSE EO Energy Efficiency Index		1.000	0.905	0.966	0.957
FTSE EO Renewable and Alternative Energy Index			1.000	0.914	0.910
FTSE EO Waste and Pollution Control Technology Index				1.000	0.965
FTSE Global All Cap Index					1.000

Based on monthly total returns

SOURCE: FTSE Group, data as at 30 December 2011

**FTSE ENVIRONMENTAL OPPORTUNITIES SECTORAL INDICES PORTFOLIO CHARACTERISTICS**

	FTSE EO Water Technology Index	FTSE EO Energy Efficiency Index	FTSE EO Renewable and Alternative Energy Index	FTSE EO Waste and Pollution Control Technology Index
Number of Constituents	78	164	101	83
Net Market Cap (USDm)	145,843	680,974	167,471	239,128
<b>Constituent Sizes (Net Market Cap USDm)</b>				
Average	1,870	4,152	1,658	2,881
Largest	14,364	87,750	28,609	17,392
Smallest	51	69	5	70
Median	820	1,262	406	1,511
Weight of Largest Constituent (%)	9.85	12.89	17.08	7.27
Top 10 Holdings (% Index Market Cap)	49.00	50.27	64.21	47.66

SOURCE: FTSE Group, data as at 30 December 2011

**INFORMATION**
**Index Universe**

FTSE Global Equity Index Series

**Base Date**

22 September 1999

**Base Value**

152

**Index Calculation**

Real-time and End-of-Day indices available;  
Real-Time indices calculated every 15 seconds

**Index Distribution**

Indices available at 21:10 GMT

**Currency**

USD

**Review Dates**

Semi-annually in June and December

**Index Rules**

Available at [www.ftse.com/EO](http://www.ftse.com/EO)

**Vendor Codes**

Available at [www.ftse.com/EO](http://www.ftse.com/EO)

"FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited ("FTSE") under licence. All rights in and to the FTSE Environmental Opportunities Sector Indices ("Index") vest in FTSE. The Industry Classification Benchmark ("ICB") is owned by FTSE.

All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by FTSE or its licensors for any errors or for any loss from use of this publication. Neither FTSE nor any of its licensors makes any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the name of the Index set out above or the fitness or suitability of the Index for any particular purpose to which it might be put. No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of FTSE. Distribution of FTSE data and the use of FTSE Indices to create financial products requires a licence with FTSE and/or its licensors. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB.

FOR FURTHER INFORMATION VISIT [WWW.FTSE.COM](http://WWW.FTSE.COM), EMAIL [INFO@FTSE.COM](mailto:INFO@FTSE.COM) OR CALL YOUR LOCAL FTSE OFFICE:

BEIJING +86 (10) 8587 7722 DUBAI +971 4 319 9901 HONG KONG +852 2164 3333 LONDON +44 (0) 20 7866 1810

MILAN +39 02 3604 6953 MUMBAI +91 22 6649 4180 NEW YORK (DOMESTIC TOLL-FREE) + 1 888 FTSE (3873)

PARIS +33 (0)1 53 76 82 89 SAN FRANCISCO +1 888 747 FTSE (3873) SYDNEY +61 (2) 9293 2864 TOKYO +81 (3) 3581 2811

