

**Ethibel launches the "Ethibel Sustainability Index": a sustainable benchmark with a financial and a social return.**  
**27/06/02**

*The Ethibel Sustainability Index (ESI) enables investors to see at a glance how a carefully screened group of companies that set the tone in terms of corporate social responsibility, is performing financially. With this service Ethibel answers a growing demand from institutional investors, fund and asset managers, who are anxious to combine a sound financial return with a positive impact on society.*

For its technical support, Ethibel can count on the skills of the American index provider **Standard & Poor's**, an acknowledged financial analysis and information expert.

**Investing with the ESI is synonymous with investing in corporate social responsibility.**

The Ethibel research and assessment model forms the basis of this index. This model is a result of Ethibel's SRI research experience built up over several years. The ESI is the very first sustainability index to be designed according to **fourth generation research principles**. It relies on the same strict social and ethical quality standards that are applied to retail investment funds carrying the Ethibel quality label.

Of key importance in the Ethibel fourth generation methodology is the 'triple bottom line' or the **'People-Planet-Profit' approach**. Companies are screened on all areas of corporate social responsibility: internal and external social policy, environmental policy and ethical economic policy. All of these items carry the same weight in the final assessment. Companies are assessed in relation to their sectoral or regional competitors.

Furthermore, the investigation is based on active **communication with all the company's stakeholders**, including the company itself. "We apply this policy to the letter", says Dirk Van Braeckel, Head of Research. "Any information we receive from a company is checked with independent parties, such as trade unions and environmental organisations. We prefer to interview them on the telephone in order to obtain reliable information as directly as possible".

**A sustainable distribution.**

"A sustainable index's distribution is quite unlike that of a standard market index", says Kurt Jacobs, Marketing & Sales Manager. "This is because some aspects of sustainability carry more weight in one industry than another. New economy businesses, such as IT companies, make much less of an environmental impact than heavy industry businesses who are often burdened by an environmentally shady past. A company's cultural context may also affect the way it expresses its social responsibility."

Ethibel primarily selects companies who lead the field in their sector and region in all areas of sustainability. However, it is the idea that in the near future the sector and regional allocation of the ESI will approximate more closely the sector weights of a reference index such as the S&P Global 1200. Therefore, Ethibel has been screening and selecting companies in "sustainably sensitive" sectors for many years now. Consequently, these companies are also encouraged to press on with their action to boost their environmental and social performances.

**The "Ethibel Sustainability Index", a solid return.**

According to calculations by Standard & Poor's the "Ethibel Sustainability Index" has performed quite well over the last four years. During this period the ESI Global return outperformed that of the S&P Global 1200, both in a buoyant and a depressed market.

Obviously, these retrospective figures hold no guarantee for the future performance of the Ethibel Sustainability Index. But the results so far are very encouraging. Moreover, Ethibel's investment universe is constantly being expanded to further improve the distribution of companies featured in the index across sectors and regions. This is a precondition for a wider and thus more balanced spreading of risks. Consequently, investors can count on a solid financial and socially responsible return.