

S&P/Hawkamah ESG Pan Arab Index

Equity Indices |



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About the Index

In response to investor demand for an ESG (environmental, social and corporate governance) index tracking the Pan Arab region, Standard & Poor's and Hawkamah (the Institute for Corporate Governance for the MENA region) have jointly created the S&P/Hawkamah ESG Pan Arab Index.

The S&P/Hawkamah ESG Pan Arab Index is the first Pan Arab Index of its kind in the Pan Arab region. S&P's innovative ESG methodology is based primarily on quantitative factors, bringing in qualitative analysis as an overlay. For the first time, environmental, social and corporate governance factors have been extensively quantified and translated into a series of scores measuring securities in the universe of publicly traded Pan Arab companies. This index not only ensures a selection of environmentally, socially and corporate governance responsible companies, but also is designed to be efficiently representative of the Pan Arab equity markets by excluding small and illiquid securities.

The S&P/Hawkamah ESG Pan Arab Index is designed to track the performance of companies that have demonstrated superiority in the areas of environmental, social and corporate governance responsibility relative to other companies in that region. Screened annually, the index uses an innovative ESG score-weighting scheme to ensure that stocks with higher ESG scores have a greater influence on the index than those with lower ESG scores.

Criteria for Index Membership

The index constituents are selected from a universe of the top 150 Pan Arab companies (based on total market capitalization), listed on the national exchanges of Bahrain, Egypt, Jordan, Lebanon, Kuwait, Morocco, Oman, Qatar, Saudi Arabia, Tunisia, and the United Arab Emirates, subject to a liquidity screen. The index is comprised of the 50 highest-scoring stocks, according to their composite ESG scores from the selection universe, subject to a maximum individual country representation of 15 stocks.

Constituent Weightings

At each rebalancing, the weight for each index constituent is set by Hawkamah using the following process:

1. *Quantitative Score:* Each company is assigned a quantitative ranking based on three factors – transparency and disclosure (T&D) of (1) corporate governance, (2) environmental practices and (3) social governance. Raw values for each factor are calculated for each company in the index and these values are then standardized. The three standardized values are summed and the companies are ranked in descending order.
2. *Qualitative Score:* 150 companies with the highest scores under the T&D process are selected for the qualitative process. Independent sources of information, news stories, Web sites and CSR filings are used to evaluate the actual performance of the company on a scale of 5 to 1, with 1 being the lowest and 5 being the highest. A final qualitative score is determined for each company.
3. *Composite Score:* A composite score is calculated for each company by summing the qualitative score and the quantitative score.
4. Each company's weight in the index is determined as a function of its ESG score.

For more information, including the complete index methodology, please visit www.indices.standardandpoors.com.

S&P/Hawkamah ESG Pan Arab Index

Equity Indices |

December 31, 2010

Designed to track the performance of companies that have demonstrated superiority in the areas of environmental, social and corporate governance responsibility in the Pan Arab region.

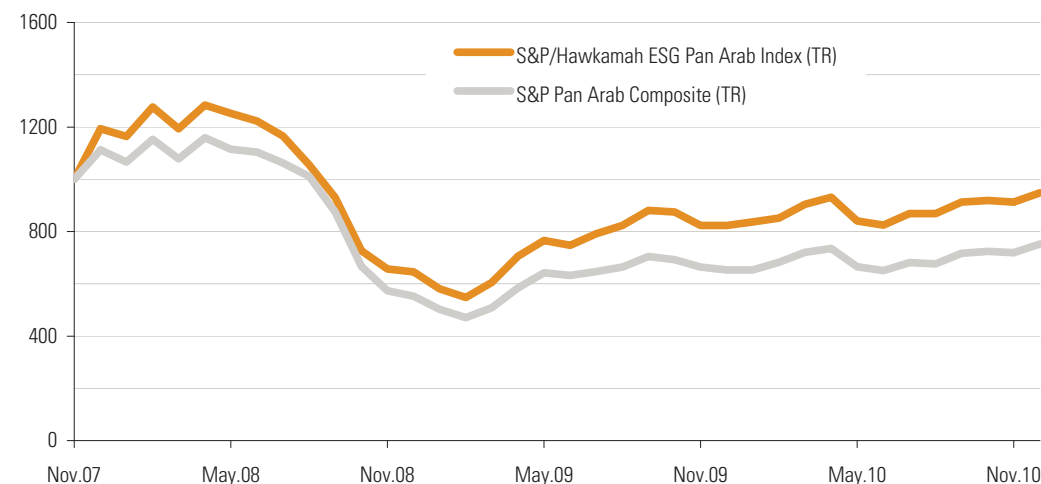
Index Performance

Returns	1 Month	3.92%
	3 Month	3.94%
Annualized Returns	1 Year	15.28%
	3 Years	-7.36%
Annualized Risk	3 Years Std Dev	26.16%
	Sharpe Ratio 3 Years	-0.0527

S&P ESG Indices

S&P ESG India	S&P/EGX ESG Index	S&P/Hawkamah ESG Pan Arab Index
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Historical Performance



Country Breakdown

Country	Country Weight	Number of Companies
Bahrain	3.7%	2
Egypt	12.2%	5
Jordan	4.8%	2
Kuwait	11.0%	7
Morocco	7.0%	4
Oman	5.3%	2
Qatar	11.2%	6
Saudi Arabia	30.3%	15
U.A.E.	14.7%	7

Top 10 Companies By Weight

Country	Company	Index Weight	GICS® Sector
Egypt	Egyptian Company for Mobile Services (MobiNil)	3.06%	Telecommunication Services
Saudi Arabia	SAVOLA Group	3.03%	Consumer Staples
Oman	Oman Telecommunications Company	2.96%	Telecommunication Services
U.A.E.	DP World Ltd.	2.96%	Industrials
U.A.E.	Emirates Integrated Telecommunications Company	2.77%	Telecommunication Services
Jordan	Arab Potash Co	2.63%	Materials
Egypt	Telecom Egypt	2.62%	Telecommunication Services
U.A.E.	National Bank of Abu Dhabi	2.57%	Financials
Egypt	Commercial International Bank (Egypt) S.A.E.	2.51%	Financials
Qatar	Qatar Telecom	2.43%	Telecommunication Services

Tickers

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S&P/Hawkamah ESG Pan Arab Index		
Price Return	SPHMPAUP	USD
Total Return	SPHMPAUT	USD

Sector Breakdown

Country	S&P/Hawkamah ESG Pan Arab Index Weight	S&P Pan Arab Composite Index Weight
Consumer Discretionary	-	1.6%
Consumer Staples	3.0%	3.1%
Energy	5.1%	2.2%
Financials	47.8%	49.6%
Health Care	-	0.4%
Industrials	10.4%	10.0%
Information Technology	-	-
Materials	9.4%	19.2%
Telecom Services	22.4%	12.4%
Utilities	1.8%	1.4%

Index Portfolio Characteristics

Number of Companies	50
Number of Countries	9
Adjusted Market Cap (\$ Billion)	176.21
Company Size By Market Cap (Adjusted \$ Billion):	
Average	3.52
Largest	18.82
Smallest	0.24
Median	2.04
% Weight Largest Company	3.06%
Top 10 Holdings (% Index Weight)	27.55%

Source: Standard & Poor's. Data as of December 31, 2010. Charts and graphs are provided for illustrative purposes only. The S&P/Hawkamah ESG Pan Arab Index was not in existence throughout the time period represented and all data presented reflect hypothetical historical performance. Please see the Performance Disclosure for more information on the Index and the inherent limitations associated with back-tested index performance.

Performance Disclosure

It is not possible to invest directly in an S&P index. Past performance of an index is not an indication of future results.

The S&P/Hawkamah ESG Pan Arab Index was not in existence throughout the time period represented in this document. All data for the index are back-tested and have been constructed based on the same methodology that was in effect when the index was officially launched. Complete index methodology details are available at www.indices.standardandpoors.com.

Prospective application of the methodology used to construct the S&P/Hawkamah ESG Pan Arab Index may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the indices. Please refer to the methodology paper for the index, available at www.standardandpoors.com for more details about the index, including the manner in which it is rebalanced, and the timing of such rebalancing, criteria for additions and deletions and index calculation. The index is rules based, although the Index Committee reserves the right to exercise discretion, when necessary. Where applicable, foreign exchange conversions to U.S. Dollars are calculated on a daily basis.

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