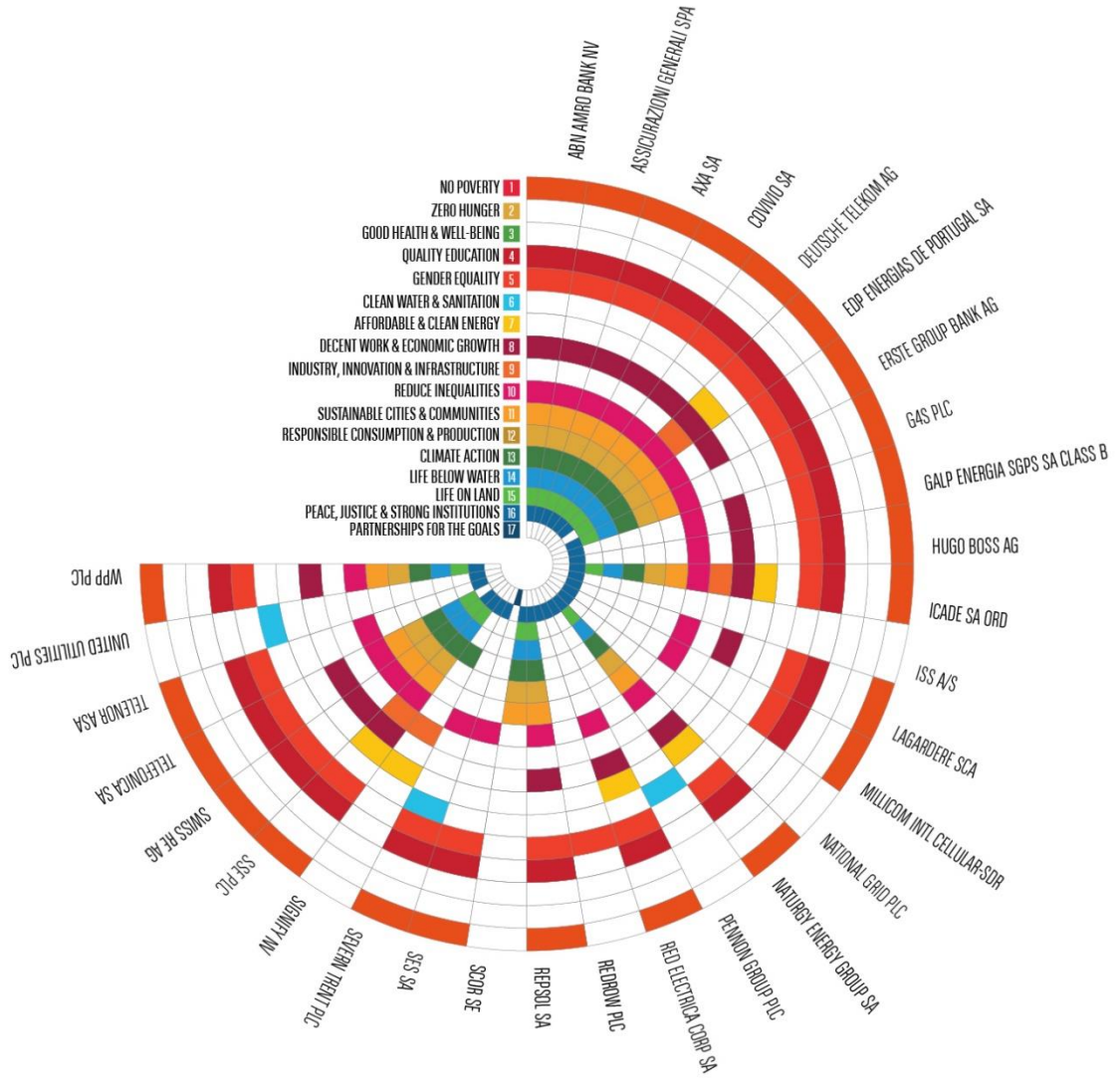


## Principal SDG Contributions of Index Constituents

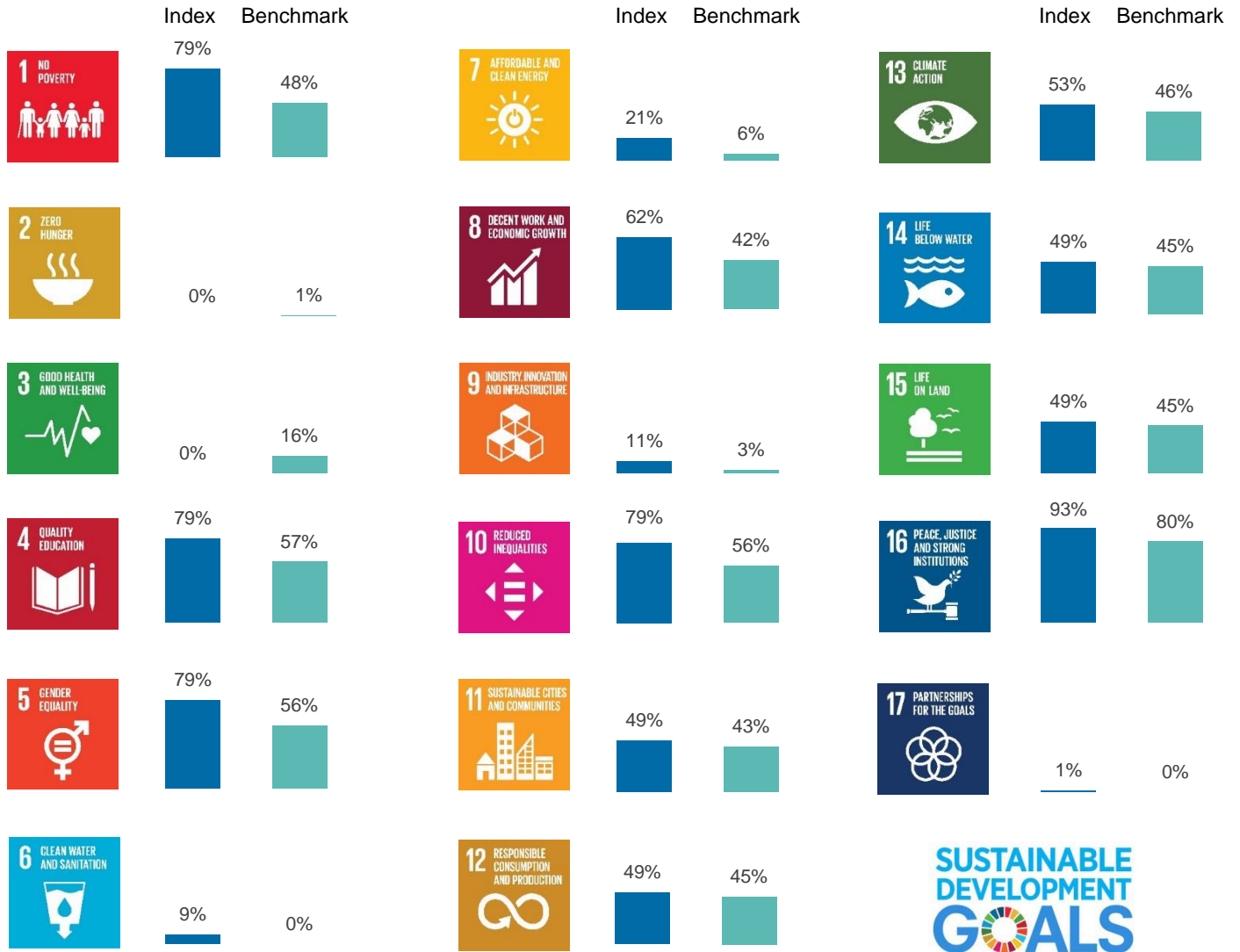


Graph: The Sustainable Development Goals highlighted for each company represent the goals correlated to the theme(s) for which they were eligible for selection in the index.

SOLACTIVE SUSTAINABLE GOALS EUROPE MV INDEX

Contributions to the 17 SDG

Copyright Vigeo 2016 - Reproduction of this document in whole or in part is prohibited without the express written authorization of Vigeo and is protected by the provision of the French Intellectual Property Code.



**SDG Contribution**

The contribution to the 17 objectives of the SDG is achieved through a projection model of the 8 SDG themes taking into account the behaviour and services of the issuers

## Issuer Focus

---

### Natural Resources

Repsol commits to reducing its GHG emissions by 2.1 million tonnes CO<sub>2</sub> from 2014 to 2020 and 3 million tonnes from 2018 to 2025. Thus, it has implemented innovative measures covering most sites, such as energy efficiency plans applied to its processes, measurement and mitigation practices to reduce methane emissions, a program based on leak detection and repair technology for the detection, quantification and correction of fugitive methane emissions in its operating assets, as well as an ISO 50001 certified energy management system. In addition, the company has invested in all relevant technologies to reduce air emissions: low sulphur fuels and low NO<sub>x</sub> combustion technology, flue gas cleaning systems (for NO<sub>x</sub> and SO<sub>x</sub>) and measures to reduce VOC emissions. Repsol also has allocated means to address waste and water issues: it notably transforms parts of its internal waste into raw materials and/or secondary products, promotes recycling and reusing, applies new technologies to develop new materials that help to reduce the use of resources and waste generation and uses renewable and biodegradable raw materials. On the other hand, it has put in place the 2015-2020 Water management improvement action to manage water responsibly and works on the optimisation of water consumption and the promotion of treated water reuse.

### Societal development

Repsol's commitment to the respect and promotion of human rights in society addresses all its responsibilities: prevention of human rights violations related to the use of security forces and complicity in human rights violations, respect of property rights, specific indigenous human rights and right to health and healthy environment. The company has allocated extensive measures to support this commitment, however only in parts of its operations. These include training programmes for both employees and security forces, human rights impact assessments and capacity building for local communities, grievance mechanisms, internal and external audits, consultation of local independent and representative stakeholders and inclusion of human rights into contracts with private security agencies. Furthermore, Repsol's commitment to promote local social and economic development is comprehensive and supported by significant measures including social impact assessments, programmes to develop local employment, community engagement tools and specific tools for sustainable closure management.

### Fair work

Repsol commits to promoting career management and training and addresses all its responsibilities in that matter. In addition, the company provides Masters programmes for new professionals aimed at adapting their skills to the strategic needs of each area of business and enabling them to develop additional skills. In 2018, 81.5% of the company's employees received training, and 56% received a performance assessment. Moreover, in order to support its relevant commitment to address health and safety, the company has allocated means throughout its global operations, including training, risk assessments, internal audits and OHSAS 18001 certifications. It also extensively addressed stress at work with measures such as stress management workshops and teleworking. On another note, the company commits to ensuring employment stability for workers in the group and reached an agreement with the workers' representatives to implement a collective dismissal process. Concrete measures in that regard include significant financial compensation, early retirement, internal mobility programme and individualised follow-up of employees. In terms of freedom of association, however, the company's commitment remains general and the promotion of collective bargaining seems unaddressed.

**REPSOL**  
**(1/2)**  
**(1%)**

## Issuer Focus

### Corporate governance

**REPSOL**  
(2/2)  
(1%)

Repsol displays an advanced performance in Corporate Governance, demonstrating a significant inclusion of CSR topics within its structure and policies. 60% of the Board members are considered independent and 33% are women; training is also provided upon joining the Board with ongoing training programmes and refresher courses for certain subjects. Moreover, all CSR relevant issues appear to be discussed at Board level, and the CSR strategy is also presented to shareholders and investors. In addition, the company's Audit Committee has a comprehensive role in overseeing internal and external controls. However, even though the internal control system covers all relevant CSR risks, the company does not report transparently on two allegations linked to that system. Furthermore, the company respects the "one share - one vote" principle, and no anti-takeover device was identified. Lastly, health and safety and climate change objectives are linked to executive variable remuneration.

### Corporate governance

**REDROW**  
(5%)

Redrow obtains an advanced score in Corporate governance. While the Board is only considered as 50% independent, one third is composed of women and Board members are elected every year. CSR issues are discussed at board level, with a dedicated Committee responsible for monitoring them. The Audit Committee has a comprehensive role and relevant processes dedicated to management of CSR risks - such as business ethics and health & safety - are in place. Redrow also reports comprehensively on executive remuneration. While major restrictions have been identified to convene an EGM, there are no restrictions on shareholders' ability to vote, and it is possible to vote using online services. In addition, there is no reference to anti-takeover devices in the company's reporting.

### Energy & climate change

Subsidiary of Caisse des Dépôts, Icade is a French real estate investment company that owns and develops offices, housing, large public facilities and healthcare facilities. In 2017, 56% of its offices and business parks were HQE and/or BREEAM certified. Icade has participated in the pilot phase of the BBCA certification (low-carbon building) and the future "Connected Buildings and Networks" label under the HQE framework.

### Corporate governance

**ICADE**  
(1/2)  
(1%)

Icade achieves an advanced performance in Corporate governance. Despite a relatively low share of independent members amongst the Board, most of the relevant CSR issues are discussed at Board level, and there is a CSR committee under the Board. The Audit Committee has a comprehensive role in overseeing internal controls and relevant processes appear to be dedicated to the management of CSR risks. Moreover, the non-audit fees represent a small part of total fees paid to the external auditors. Furthermore, the company seems to respect shareholders' rights and occasionally punctually presents to shareholders and investors its CSR strategy. Finally, the company is transparent on rules guiding the allocation of incentives to executives, that include CSR objectives.

### Development tools

In 2017, 21% of the Icade's portfolio included Healthcare Properties contributing to social progress in society and to the building of resilient and inclusive communities. In 2016, Icade acquired four new healthcare facilities in France: follow-up and rehabilitation care facility in Châtenoy-le-Royal, as well as three private psychiatric hospitals in Gien, Le Havre and Chambray-lès-Tours. The company has also started the construction of four private hospitals eligible for the HQE certification.

## Issuer Focus

### Societal development

**ICADE**  
**(2/2)**  
**(1%)**

Icade displays an advanced performance in societal development. The company addresses most of its responsibilities in terms of local social and economic development and has allocated significant measures. Community meetings are held throughout the year to strengthen the ties between tenants and local communities and a specific initiative has provided training courses to long-term unemployed young adults. With regard to social accessibility of properties, the company is making sure that projects are located near public transports and offers connectivity to tenants such as electric shuttle buses, charging stations for electric vehicles or bike-sharing solutions. Social housing, institutional investors and social landlords account for 17.1% of the properties built by Icade in 2018. Regarding the integration of social factors in its supply chain, Icade has set specific targets to increase procurement from the sheltered work sector by 50% between 2018 and 2022, includes social issues in its contractual clauses and assesses and supports its main suppliers, who are evaluated by an external agency.

### Corporate governance

**UNITED UTILITIES**  
**(3%)**

United Utilities achieves an advanced performance in Corporate Governance. The Board and its Committees display a high level of independence and CSR issues are discussed at Board meetings. The company's internal control system covers CSR risks such as health and safety and career management. Moreover, executive remuneration is based on financial and CSR performance targets and is disclosed on an individual basis. Besides, the ratio of CEO compensation versus average employee salary has decreased significantly between 2016-2018. Lastly, the ability of shareholders to vote during AGMs is not restricted.

### Basic needs

United Utilities is engaged in the management of regulated water and wastewater network in the North West of England. The company supplies around 1,700 million liters of drinking and sanitation water and treats wastewater using 77,000Km of sewerage pipes and 569 wastewater treatment works meeting environmental standards. Revenues related to water services and wastewater services accounted 92% of the company's revenues in FY 2018.

### Fair work

**ERSTE GROUP**  
**(1%)**

Erste Group displays an advanced performance in this theme. Engaged in the retail and corporate customer business in the eastern part of the European Union, Erste Group stands out on non-discrimination issues. The company has a Group Diversity and Inclusion Policy and also has set a group-wide internal target of having 35% of positions in top management and on supervisory boards filled by women by 2019. A group diversity management is in charge of this issue and part of the Group Sustainability Office. Specific training, affirmative action programmes, career break opportunities, child care facilities are among the extensive measures reported to prevent discrimination and promote diversity. The share of women in management positions has increased from 28% in 2015 to 29.9% in 2017. The company's commitments towards career management and health and safety address its main responsibilities, supported by comprehensive measures. Individual development plans are in place and the company offers customised executive training and personal development training courses as well as programmes for specific business areas and intergenerational mentoring among employees over 50 years old and under 30 years old. In addition, the company has allocated significant means to reduce stress at work, such as dedicated training to managers and employee assistance programme including to employees who have been absent for a long time because of mental issues. The bank signed a company agreement on this. Finally, despite a commitment to freedom of association and the right to collective bargaining, the company lacks transparency on concrete means in this regard.