

BM&FBOVESPA announces the Corporate Sustainability Index portfolio for 2013

Number of companies authorizing the publication of their questionnaire answers rises from 8 to 14 Company selection process now includes KPMG auditing and assurance Combined market capitalization rises from 42.70% to 44.81%

São Paulo, November 29, 2012 – BM&FBOVESPA announced on November 29 the eighth portfolio of the Corporate Sustainability Index (ISE), effective from January 07, 2013 to January 03, 2014. The new portfolio is composed of 51 stocks of 37 companies. They represent 16 sectors and have a combined market capitalization of BRL 1.07 trillion, or 44.81% of the combined figure for all of the companies traded on BM&FBOVESPA (on November 26, 2011).

Of the 37 companies in the current portfolio (2012), 35 have also been selected for the new one (2013). Two companies have debuted on ISE for 2013: Telefônica and WEG, with the latter bringing the machinery and equipment sector to ISE.

In all, 14 of the 37 companies in the new portfolio authorized the publication of their answers to the selection questionnaire, against eight out of 38 last year. The 14 companies are AES Eletropaulo, AES Tietê, Banco do Brasil, BicBanco, CCR, Cemig, Coelce, EDP, Eletrobras, Light, Natura, Sul América, Vale and WEG.

The ISE processes are in constant evolution and this year included KPMG auditing and assurance, which helps grant even more credibility to its procedures.

The 183 companies with the 20 most liquid stocks on the Exchange in December 2011 were invited to join the new portfolio. Of this group of companies, 45 signed up to compete for a place on the portfolio, while five adhered to the trainees' process, preparing themselves for the coming years.

AES Tietê**	BRF	CPFL	EDP**	Gerdau	Natura**	SulAmerica*	Vale*
Banco do Brasil**	Cemig*	Coelce**	Even	Gerdau MET	OI	Telefônica	WEG*
Bicbanco**	Cesp	CCR**	Eletrobras*	Itaú Unibanco	Sabesp	TIM	
Bradesco	Copasa	Duratex	Ecorodovias	Itaúsa	Santander	Tractebel	
Braskem	Copel	Eletropaulo**	Fibria	Light*	Suzano	Ultrapar	

<u>New Portfolio – 2013</u>

*Companies that authorized the publication of their answers in 2012 and 2011



<u>Current portfolio – 2012</u>

AES Tietê	Braskem	Copel	Eletropaulo	Embraer	Itaúsa	Sabesp	Tractebel
Anhanguera	BRF	CPFL	EDP	Fibria	Light	Santander	Ultrapar
Banco do Brasil	Cemig	Coelce	Even	Gerdau	Natura	Suzano	Vale
Bicbanco	Cesp	CCR	Eletrobras	Gerdau MET	OI	SulAmerica	
Bradesco	Copasa	Duratex	Ecorodovias	Itaú Unibanco	Redecard*	TIM	

* Redecard Public Tender Offer. Excluded on September 27

X-Ray of the 2013 Portfolio

- 100% of the companies formally include a sustainable development commitment in their strategy;
- 100% of the companies publish this commitment on the free-access area of their website;
- 97% run an awareness and education program on the subject;
- 92% formally and publicly adhere to broadly accepted voluntary commitments to sustainable development, extending the commitment to all of their units, subsidiaries or holdings;
- 100% published a Sustainability Report this year;
- 92% used the GRI guidelines as a point of reference for drawing up the report;
- In 78% of cases the Sustainability Report is an integral part of the Company Report;
- In 86% of cases the company's management is directly involved in defining the Sustainability Report.

<u>Portfolio – 2012</u>

The 2012 portfolio was composed of 51 stocks in 38 companies, becoming the 50 stocks of 37 companies following the Redecard Public Tender Offer (PTO) on September 27, 2012. The combined market capitalization of the portfolio is BRL 1.02 trillion, representing 42.07% of the combined market capitalization of the Exchange as a whole (based on the close of business on November 26, 2012).

About ISE

The Exchange created the Corporate Sustainability Index (ISE) in December 2005, with its methodology being the responsibility of the Sustainability Study Center (GVCes) of the São Paulo Business Administration School of the Getúlio Vargas Foundation (FGV-EAESP). This methodology seeks the integrated assessment of different sustainability aspects, such as environmental, social and financial-economic.

The ISE reflects the performance of a portfolio of stocks in companies with the best performances in all of the dimensions used for measuring corporate sustainability. It aims at being a point of reference for socially responsible investment and to be a driver for best practices in the Brazilian corporate world.



Four more dimensions have been added to the triple bottom line (environmental, social and financial-economic): corporate governance, general, nature of the product and climate change, with the last on this list included as of 2011.

BM&FBOVESPA carries out its calculations in real time during the trading session, considering the prices of the last trades executed on the cash market. The stocks that are part of ISE are selected from the 200 most traded in the trading session in terms of liquidity and are weighted in the portfolio in accordance with their individual market capitalization.

The ISUS11 ETF listed on October 31, 2011 is based on the Corporate Sustainability Index (ISE). ETFs track indices and their units are traded on the Exchange like stocks.

BM&FBOVESPA presides over the ISE advisory board, alongside the Brazilian Association of Pension Funds (ABRAPP), the Association of Capital Markets Analysts and Investment Professionals (APIMEC), the Brazilian Financial and Capital Markets Association (ANBIMA), the Group of Institutes, Foundations and Enterprises (GIFE), THE Brazilian Institute of Independent Auditors (IBRACON), Brazilian Institute of Corporate Governance (IBGC), the International Finance Corporation (IFC), the United Nations Environment Programme (UNEPFI) and the Brazilian Ministry of the Environment