

FTSE4Good semi annual review, June 2018

- 82 new companies to be added to the FTSE4Good Developed Index
- 34 new companies to be added to the FTSE4Good Emerging Index
- 8 new Japanese firms enter FTSE4Good and FTSE Blossom Japan Index
- Growing numbers of investors now routinely considering ESG factors as core investment priorities

FTSE Russell, the global index, analytics and data provider, today announces changes to the FTSE4Good Index Series, following the June 2018 semi annual review.

Now in its 17th year, the FTSE4Good Index Series provides investors with a transparent and objective benchmark to measure the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices. Companies meeting specific thresholds in relation to ESG practices are included in the index series. Companies are assessed throughout the year across over 300 data points to ensure they continue to meet the criteria.

The ten largest firms to be added to the FTSE4Good Developed Index, in alphabetical order, are Emerson Electric, Fast Retailing, Fedex Corporation, Las Vegas Sands, Lilly (Eli) & Co, Mitsubishi Corp, Nidec Corp, Sands China, Shin-Etsu Chemical and T-Mobile US Inc. More details on the individual changes are available on FTSE Russell's [website](#). In total, 82 companies have been added to the FTSE4Good Developed Index while 34 new companies will be added to the FTSE4Good Emerging Index. The largest number of additions from this review came from the USA (31), which remains the largest contributor of companies to the index. Eight* Japanese and eight** Australian companies were also added to the index with a further 35 companies from 15 different countries also added.

David Harris, Head of Sustainable Investment at FTSE Russell, said:

“Since launching the FTSE4Good Index Series back in 2001 the world and the investment landscape has changed dramatically and sustainable investing, climate risk, the transition to a low carbon economy and ESG integration into benchmarks are now an important focus for investors, policy makers and companies alike. Benchmarks can be a powerful lever to catalyse positive market-wide changes as evidenced in our [STEP Change](#) Report, launched last week. FTSE4Good has influenced companies globally and we are delighted to see more companies step up to meet the criteria and gain inclusion.”

FTSE Russell continues to support a growing trend among asset owners to integrate ESG considerations into their investment strategies. A recent report from [FTSE Russell](#) showed that almost 40% of global asset managers surveyed who anticipate applying smart beta strategies in the next 18 months are planning to factor ESG considerations in their approach. Nearly half of these are considering ESG factors for investment risk or performance reasons. The FTSE4Good Index Series are used by a number of institutional investors globally.



Press Release



FTSE
Russell

Recent new adopters include, the Government Pension Investment Fund (GPIF) who selected the [FTSE Blossom Japan Index](#) for its first ESG mandate and the Taiwan Bureau of Labor Funds (BLF) selecting the [FTSE4Good TIP Taiwan ESG Index](#) for a new equity mandate.

* Nidec Corp, Mitsubishi Corp, Fast Retailing, Shin-Etsu Chemical, JXTG Holdings, Suntory Beverage & Food, Hino Motors and Sojitz

** Fortescue Metals Group, Seek, Xero, Healthscope, Magellan Financial Group, Orora, Bank of Queensland Ltd. and Platinum Asset Management Ltd/Australia

– Ends –

For further information:

Global Media

Lucie Holloway Alex Ritterman	+44 (0)20 7797 1222 newsroom@lse.com
Tokyo: Toshi Okada	+81 3 3581 3443
Sydney: Laura McCrackle	+61 2 8823 3526

Notes to editors:

About FTSE Russell:

FTSE Russell is a leading global index provider creating and managing a wide range of indexes, data and analytic solutions to meet client needs across asset classes, style and strategies. Covering 98% of the investable market, FTSE Russell indexes offer a true picture of global markets, combined with the specialist knowledge gained from developing local benchmarks around the world.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. Approximately \$15 trillion is currently benchmarked to FTSE Russell indexes. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create investment funds, ETFs, structured products and index-based derivatives. FTSE Russell indexes also provide clients with tools for asset allocation, investment strategy analysis and risk management.

A core set of universal principles guides FTSE Russell index design and management: a transparent rules-based methodology is informed by independent committees of leading market participants. FTSE Russell is focused on index innovation and customer partnership applying the highest industry standards and embracing the IOSCO Principles. FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit www.ftserussell.com

© 2018 London Stock Exchange Group plc and its applicable group undertakings (the "LSE Group"). The LSE Group includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE TMX Global Debt Capital Markets Inc. and FTSE TMX Global Debt Capital Markets Limited (together, "FTSE TMX"), (4) MTSNext Limited ("MTSNext"), (5) Mergent, Inc. ("Mergent"), (6) FTSE Fixed Income LLC ("FTSE FI") and (7) The Yield Book Inc. ("YB"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE TMX, MTS Next Limited, Mergent, FTSE FI and YB. "FTSE®", "Russell®", "FTSE Russell®", "MTS®", "FTSE4Good®", "ICB®", "Mergent®", "WorldBIG®", "USBIG®", "EuroBIG®", "AusBIG®", "The Yield Book®", and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of the LSE Group or their respective licensors and are owned, or used under licence, by FTSE, Russell, MTSNext, FTSE TMX, Mergent, FTSE FI or YB. "TMX®" is a trademark of TSX Inc. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.



London
Stock Exchange Group