FTSE Russell defines core infrastructure activities as those involving the development, ownership, operation, management and/or maintenance of structures or networks used for the processing or moving of goods, services, information/data, people, energy or necessities from one location to another.

The **FTSE Core Infrastructure Indices** include the listed stocks of companies that meet FTSE Russell’s definition of core infrastructure. To be included in the index, companies must derive a minimum of 65% of their revenue from FTSE Russell-defined core infrastructure activities.

The **FTSE Core Infrastructure 50/50 Indices and the FTSE Core Infrastructure Capped Indices** employ capping methodology to the parent FTSE Core Infrastructure Indices to ensure exposure to core infrastructure remains diverse and balanced.

### Core infrastructure activities

**Transportation**
- Roads, bridges and tunnels
- Ports
- Airports
- Railways
- Terminals and depots
- Inland waterways

**Energy**
- Electricity generation, distribution and transmission
- Water supply projects
- Pipelines

**Telecommunications**
- Fixed line, telephone and data networks
- Transmission lines or towers
- Wireless transmission towers
- Transmission satellites

### Focused on core infrastructure:
- Includes only companies that derive 65% of their revenue or more from core infrastructure activities

### Comprehensive global coverage:
- Starting universe is the FTSE Global All Cap Index, which covers listed equities across 49 developed and emerging markets

### Investable:
- Free float-adjusted to ensure that only the investable opportunity set is included and screened to ensure the indices are liquid and tradable

### Transparent:
- Indices are constructed using objective, rules-based methodology freely available on the FTSE Russell website

### Available indices

#### FTSE Core Infrastructure Indices
- FTSE Global Core Infrastructure Index
- FTSE Developed Core Infrastructure Index
- FTSE Emerging Core Infrastructure Index

#### Capped indices
- FTSE Global Core Infrastructure 50/50 Index
- FTSE Developed Core Infrastructure 50/50 Index
- FTSE Developed Asia-Pacific Core Infrastructure 50/50 Index
- FTSE Developed Europe Core Infrastructure Capped Index
- FTSE USA Core Infrastructure Capped Index
Methodology summary

FTSE Core Infrastructure Indices

During each semi-annual index review in March and September, constituents of the FTSE Global All Cap Index that are classified in eligible infrastructure-related ICB subsectors are subject to a revenue screen. Those that derive 65% or more of their revenue from core infrastructure activities become constituents of the FTSE Global Core Infrastructure Index.

FTSE Core Infrastructure 50/50 and Capped Indices

To create the FTSE Core Infrastructure 50/50 and Capped Indices, constituents are grouped by ICB subsector into three core infrastructure sector groups. Weights are capped at both the sector group level and the constituent level as illustrated below.

Construction process

Eligible universe
2048 constituents, USD $12.3T

REVENUE FROM CORE ACTIVITIES ≥ 65%?
YES

FTSE Global Core Infrastructure Index
258 constituents, USD $2.4T

FTSE Developed Core Infrastructure Index
134 constituents, USD $2.2T

FTSE Emerging Core Infrastructure Index
124 constituents, USD $1.96B

Infrastructure sector groups

<table>
<thead>
<tr>
<th>ICB Subsector Code</th>
<th>Subsector Name</th>
<th>Sector Group Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td>65101010</td>
<td>Alternative Electricity</td>
<td>50%</td>
</tr>
<tr>
<td>65101015</td>
<td>Conventional Electricity</td>
<td></td>
</tr>
<tr>
<td>65102020</td>
<td>Gas Distribution</td>
<td></td>
</tr>
<tr>
<td>65102000</td>
<td>Multi-Utilities</td>
<td></td>
</tr>
<tr>
<td>65102030</td>
<td>Water</td>
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<tr>
<td>50101010</td>
<td>Construction</td>
<td>22.5%</td>
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<tr>
<td>50206060</td>
<td>Transportation Services</td>
<td>75%</td>
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<tr>
<td>50206020</td>
<td>Railroads</td>
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<tr>
<td>40501015</td>
<td>Travel &amp; Tourism</td>
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<td>35102025</td>
<td>Infrastructure REITs</td>
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<tr>
<td>60101035</td>
<td>Pipelines</td>
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<tr>
<td>15101010</td>
<td>Telecommunications Equipment</td>
<td>20%</td>
</tr>
<tr>
<td>15102015</td>
<td>Telecommunications Services</td>
<td></td>
</tr>
</tbody>
</table>

Capping methodology

Apply capping

Sector groups: 50% Utilities, 30% Transportation, 20% Others
Constituents: Capped at 5%

Sector groups: Capped at 50%
Constituents: Capped at 10%

Source: FTSE Russell as of September 2023.
FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

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**EMEA** +44 (0) 20 7866 1810
**North America** +1 877 503 6437

**Asia-Pacific**
- **Hong Kong** +852 2164 3333
- **Tokyo** +81 (3) 6441 1430
- **Sydney** +61 (0) 2 7228 5659