SOLUTION OVERVIEW

FTSE Global, Developed and Emerging All Cap indexes with controversy and product screens

Aligning investment choices with values

Overview

An increasing number of investors want to align portfolios with their values. One approach to accomplishing this objective is to select companies based on their impact on society and the environment.

The FTSE Global All Cap, FTSE Developed All Cap and FTSE Emerging All Cap indexes with controversy and product screens are part of the FTSE Global Choice index family. The indexes are market capitalisation weighted, with a rules-based methodology for defining how the products and conduct of a company impact society and the environment. The result is a framework for applying robust and customisable values-based exclusions to a broad market index.

Benefits

The index methodology provides a comprehensive set of product and conduct screens. In addition to the standard index family, clients can construct bespoke 'Choice' indexes based on particular subsets of the screens that align with their values and sustainable investment objectives.

The following indexes within the series are examples of what is available for certain client investment objectives:

FTSE Global Choice Index Series
FTSE Global All Cap Choice Index
FTSE Developed All Cap Choice Index
FTSE Developed Europe All Cap Choice Index
FTSE Emerging All Cap Choice Index

Features

- Based on the FTSE Global All Cap universe, which covers around 16,000 large, mid and small stocks in Developed and Emerging markets.
- Company screening based on fundamental research about a company's business lines, product involvement and conduct.
- Transparent, rules-based framework for applying values-based exclusions to a broad index.

Definitions

These FTSE Global Choice indexes include negative screens in three product categories and one conduct category:

- The product-related screening criteria covers: Non-Renewable Energy (Fossil Fuel and Nuclear Power), Vice Products (Adult Entertainment, Alcohol, Gambling and Tobacco), and Weapons (Chemical & Biological Weapons, Cluster Munitions, Anti-Personnel Landmines, Nuclear Weapons, Conventional Military Weapons and Civilian Firearms)
- The conduct-related screening criteria covers: Controversies (based on the UN Global Compact Principles)

Companies in the underlying index universe are researched annually for eligibility against the screens based on publicly reported information.

Index construction process

Starting universe

Start with the market capitalisation weighted index universe, e.g. FTSE Global All Cap Index, FTSE Developed All Cap Index, FTSE Developed Europe All Cap Index, FTSE Emerging All Cap Index.

Step 1

Screening

Exclude companies based on the defined product and conduct screens:

- The indexes exclude companies across all the product and conduct screens: Non-Renewable Energy, Vice Products, Weapons and Controversies.

Step 1 **Step 2**

Publish and Review Index

The index is reviewed quarterly in March, June, September and December.

Supporting the sustainable investment market

FTSE Russell brings two decades of experience in sustainable investment data and benchmarks, and provides data analytics, scores0 and indexes covering thousands of companies worldwide.

As an index provider, FTSE Russell plays an active role in the major regional sustainable investment industry associations. Ahead of its launch, along with other pioneers in the industry, FTSE Russell also helped develop the United Nations-backed Principles for Responsible Investment (PRI), and became a founding signatory and the first index provider member.

FTSE Russell is part of London Stock Exchange Group (LSEG), which is a member of the Sustainable Stock Exchanges Initiative, and chaired its working group to develop Model Guidance on ESG Reporting for exchanges globally. This resulted in LSEG publishing its own Guidance in February 2017.

About FTSE Russell

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.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

Contact Us

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

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

Disclaimer

© 2025 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE") (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL, and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "Refinitiv", "Beyond Ratings®", "WMR™", "FR™" 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 LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index and/or rate returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index or rate inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index or rate was officially launched. However, back-tested data may reflect the application of the index or rate methodology with the benefit of hindsight, and the historic calculations of an index or rate may change from month to month based on revisions to the underlying economic data used in the calculation of the index or rate.

This document may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of LSEG nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

FTSE RUSSELL

An LSEG Business

FR2855400/12-25